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Karpov on Regulating Arms, Technology Trade

LD0304083691 Moscow All-Union Radio First Program Radio-1 Network in Russian 1140 GMT 2 Apr 91

[Interview with USSR Deputy Foreign Minister Viktor Pavlovich Karpov by diplomatic correspondent Vladimir Pasko; place and date not given; from the program, "This Is What Is Being Spoken About" hosted by Yevgeniy Grachev]

[Text] [Grachev] One of the issues that has been the focus of our public's attention in recent months has been the arms trade. The Persian Gulf crisis showed quite obviously the threat that lies within the uncontrolled sales of arms. It has to be said that wide discussion on this problem has also been taking place in the West, in France, the FRG, Italy, the United States, and Canada. In Germany penalties for avoiding the relevant laws have been toughened up. Detailed, exhaustive information about arms sales has been published in Canada. This subject has also become a topic of discussion at international meetings and talks. Fifteen Western countries have decided to extend and reinforce the rules governing the trade in technology used in the manufacture of various types of combat missiles.

What is our country's position on this question? This is not just a matter of idle interest. During the last five-year plan period we supplied armaments and military equipment worth more than 56,000 million rubles to overseas countries, although for us the arms trade has until now, at least, been political rather than commercial in character: first and foremost it has been a question of allies and developing countries. Nevertheless, Iraq's aggression has shown that those who receive our arms are able to use them not just for purposes of defense.

My colleague, All-Union Radio diplomatic correspondent Vladimir Pasko, has discussed all of this with USSR Deputy Foreign Minister Viktor Pavlovich Karpov. I think you, too, will be interested in hearing his opinion:

[Begin Karpov recording] I have to say that we are in favor of questions concerning the nonproliferation of weapons of mass destruction in the first place and also questions connected with the sale of conventional weapons becoming the subject of serious consideration in the international community. The Soviet-U.S. declaration on the nonproliferation of various types of weapons was adopted during the Soviet-U.S. summit meeting at the end of May and in June last year. In it both the United States and the Soviet Union undertook to work together in this direction.

In our view, the war in the Persian Gulf showed that solutions excluding not merely the proliferation of missile and nuclear armaments and chemical weapons but limiting to the maximum extent possible the sale of supply of conventional weapons, and first and foremost weapons used for offensive purposes, are of increasing interest. We are in favor of these issues being resolved on an international footing. Even last year we proposed that a kind of arms sales register be set up at the United Nations as a kind of information base to see the whole picture of arms supplies in the world and to draw attention to dangerous concentrations of armaments being formed in particular regions and, on the basis of this, to discuss questions connected with restricting arms deliveries and regulating these deliveries.

In light of the experience of the war in the Persian Gulf we are in favor now of these questions being regarded as most urgent issues and becoming the subject of discussion. We have expressed ourselves and do express ourselves in contacts with the United States, Great Britain, and other countries that are the main producers of weapons. For example it is no secret that at least 80 percent of Iraq's armaments came from the five countries that are permanent members of the Security Council. It is paradoxical, but it is a fact. These countries, therefore, must of course assume first and foremost responsibility for resolving issues of the nonproliferation of armaments throughout the world.

As regards the issue of missile armaments and rocket technology, the Soviet Union advocates order being introduced here, too, of a single set of conditions being established for limiting the proliferation of military rocket technology, and also of not creating artificial obstacles for the development of rocket technology that could be used for peaceful purposes, space research, probing the upper layers of the atmosphere, that is, weather forecasting and research into atmospheric manifestations, which makes it possible to make long-term weather forecasts and predictions of climatic change, and so forth. We are in favor of the creation of a worldwide cooperation system guaranteeing access by all countries, irrespective of their financial circumstances, to these achievements of world rocket technology and space research and in other peaceful uses of this technology, while placing definite obstacles in the way of creating missiles to strengthen the military potential of particular countries. In this sphere we are carrying out work, we are carrying out work first and foremost with countries which are producers of rockets which have solid experience of working with rocket technology, and also with countries which would like to obtain rockets and technology for space research.

So here joint efforts are obviously needed by all countries, and the creation of some new kind of system, a kind of International Atomic Energy Agency for space, say, along the lines of a space IAEA, which would guarantee access to rocket technology for peaceful purposes and which would close the door to the proliferation of military rocket technology. [end recording]

U.S. Presses for CFE Treaty Concessions

PM0304101791 Moscow PRAVDA in Russian 30 Mar 91 Second Edition p 6

["View From Moscow" by Yevgeniy Shashkov: "Are We Threatened With 'Pre-Malta Period'"]

[Text] "The Moscow summit, postponed from early February and planned for late in the first half of the year, has now been blocked by a dispute over the treaty on reducing conventional forces in Europe signed last November in Paris. The U.S. side is refusing to submit the treaty for ratification until Moscow reviews its decision to remove three infantry divisions from the treaty's ambit by transferring them to the Navy. Unless this problem is settled, there will be no progress at the talks that are supposed to complete the preparation of a treaty on strategic arms (it is proposed to sign this at the summit)."

The above comment comes from the U.S. CHRISTIAN SCIENCE MONITOR. It is by no means the "harshest" of the numerous statements now being made in the West about the disarmament process. It is reasonable to ask: What is the matter, what has happened? After all, just three or four months ago fanfares about the Treaty on Conventional Forces in Europe signed in Paris in November were thundering out from the Atlantic to the Urals.

The West attributes the "misunderstandings" that have arisen between Moscow and Washington about the Paris agreement primarily to the position of the military, in particular the USSR Armed Forces General Staff and the Soviet military-industrial complex as a whole. U.S. Secretary of State J. Baker himself expressed this view in a television speech after his mid-March visit to Moscow. The West's main charges are essentially that the USSR is concealing from its treaty partners a huge quantity of arms falling within the treaty's ambit—in particular, over 20,000 tanks, many thousands of armored fighting vehicles, artillery systems, and so forth—and is also building up the strength of its marines. In my view, there is much that is cunning in these allegations. The leaders of the USSR Defense Ministry and the Armed Forces General Staff have repeatedly provided extremely well reasoned explanations about these charges.

I will remind you of some of them. Indeed, as of mid-1988 there were 41,500 tanks in Europe. On the eve of the signing of the Paris agreements the USSR began to use the figure of 21,000 (7,500 of these are subject to reduction under the treaty on conventional arms). Where are the other 20,000, the West is asking today. The USSR Armed Forces General Staff responds with a question: Have people in the West so swiftly forgotten something that they themselves applauded? The reference is to the USSR's unilateral initiative to reduce its Armed Forces, announced almost 2.5 years ago. As a result, even before the signing of the Paris agreements, in the course of the transfer of the USSR Armed Forces to a defensive structure and the withdrawal of troops from the Warsaw Pact countries 8,000 tanks were dispatched from the combat strength in the European part of the USSR to beyond the Urals for refitting [pereoborudovaniye] and to bring forces up to strength [doobespecheniye voysk], 8,400 were stationed at storage facilities in West Siberia and Central Asia, and about 4,000 tanks were scrapped. If we total up these figures, we get the required 20,000 tanks.

I can foresee objections: Be that as it may, this still introduces elements of distrust into the spirit of cooperation between the West and the USSR. I agree, but only if NATO headquarters did not know about this. But it was informed even before the signing of the Paris treaty. E. Shevardnadze informed J. Baker of this in September and then in October 1990. In short, the USSR Defense Ministry believes, the United States and its allies knew that the transfer of tanks (and other types of arms) to beyond the Urals was carried out outside the framework of the treaty, and the Soviet Union was not bound by any treaty commitments.

As for the West's main charge, the transfer of three Ground Forces divisions to the marines allegedly in violation of the treaty, explanations have also been given regarding these complaints too. There was no buildup of the marines to evade the treaty. The USSR took measures to more reliably cover coastal sectors in view of the considerable superiority enjoyed by the United States and NATO in shock and mobile naval systems. According to the USSR Armed Forces General Staff, these measures began to be implemented back in 1987. As a result three divisions of Ground Forces were transferred to the Navy as coastal defense (not marine) divisions.

You can accept or reject these explanations from the Soviet military. But, in my view, U.S. experts, especially after the allies essentially won the war with Iraq from the sea, should feel simply "ashamed" of fanning subjects connected with naval forces in the context of the Treaty on the Reduction of Conventional Arms. But since this is being done, I would remind them that it was precisely the NATO countries that prevented the inclusion of naval forces within the purview of the Vienna talks. In the opinion of analysts from the "Russian-American University" center for international and military-political research, the real reason for this was that NATO enjoys substantial superiority over the Warsaw Pact in this regard.

As is well known, the subject of the talks was only arms stationed on land. The NATO countries did not respond to sensible points regarding the need to take into account, if only indirectly, NATO's advantages in naval forces and reduced the correlation of military forces in Europe solely to the correlation between armed forces and armaments based on land. But a considerable proportion of naval arms is also stationed on land—land-based naval aviation, for instance. Thus, on the one hand, naval forces were removed from the scope of the restrictions, and, on the other, the part of this branch of the armed forces stationed on land remained a subject of the talks.

This contradiction was in NATO's favor: Its naval aviation is largely based on ships, Soviet naval aviation

is largely based on land. If you compare their purposes, land-based naval aviation is predominantly a defensive weapon, it is directed against any threat from the sea. Whereas carrier-based aviation is mostly intended for operations against ground targets on the other side's territory. The war in the Persian Gulf is vivid confirmation of this. I am recalling all this not to "reproach" anyone, but merely because the agreed levels of reductions in conventional arms and equipment could have been even more radical if the entire balance of forces, that is, taking naval forces into account, had been examined.

Let us be frank: The Treaty on Conventional Forces in Europe by no means exhausts all the problems of disarmament on the continent. It is not the fault of the military that it has already partly lost its basis even before ratification. After all, when it was being prepared and signed, the blocs were used as a basis: Over there is the North Atlantic bloc, here we have the Warsaw Pact. They have so many weapons, we have so many, and so forth. Today, when the Warsaw Pact has ceased to exist as a military organization and our former allies are beginning to cast "sidelong glances" in the direction of NATO, people who are serious about the military aspects of the USSR's security are expressing alarm. The Pentagon is also fanning such sentiments, although not deliberately, in my view. I am referring to the defense minister's annual report on U.S. military policy at the present stage and prospects for its development submitted to G. Bush in mid-March. It shows a tendency to clearly exaggerate the role of the military might of the United States and its allies as the main nucleus of European stability and its main guarantor. The old theses about forward basing and global deterrence are again being heard. The Western strategists' theorizing about the permissibility and desirability of expanding NATO's "geography," right up to the USSR's western border, is also worrying.

But we have already been through all this. Is this not enough? Or do some people believe that the Soviet Union should be "squeezed some more," and then it will at long last be brought to its knees. Indeed, at present things are going far from brilliantly in domestic life in our country. But for all that, as the aforementioned report by R. Cheney asserts, "be that as it may, in the security sphere the Soviet Union will continue to be the only country in the world capable of destroying the United States."

I am citing that quotation not to console or encourage anyone, but as an an objective reality. Also because today Washington is trying to link even the agreement on strategic offensive arms with the reduction of conventional arms. That is, once again there are conditions, once again there is linkage. Nothing good will come of this. If this continues, we will not notice that we are sliding back into the "pre-Malta period." I am referring to the memorable Malta meeting, where an unparalleled atmosphere of sincerity and trust was established between the USSR and the United States.

Lobov Outlines Future Pact Relations

LD0104115191 Moscow International Service in Hungarian 2000 GMT 31 Apr 91

[Text] Qualitative changes are taking place in the organization of the Warsaw Pact. From today the military structures of the Warsaw Pact have ceased to exist. Soviet troops are returning home. Every document that directs the activity of the armed forces belonging to the Warsaw Pact has been annulled. Representatives of the commander-in-chief have been called back from the member countries. How will the relations between the Pact member states develop in the future? This is what Army General Lobov, former chief of general staff of the former allied armed forces of the Warsaw Pact says about this.

Alongside all the positive tendencies which exist today in the world, every state will need to keep the security of its nation, says Army General Lobov. The experience gained over the years of the existence of the Warsaw Pact has become the treasured property of the armies of the member countries. However, that experience will not be used in a bloc formation but according to bilateral agreements. I believe, says General Lobov, that exactly these bilateral relations will develop in the future. A Soviet- Romanian cooperation, good neighborly, and friendship agreement has recently been initiated. It is based on the principle of the respecting of sovereignty, equality and noninterference. The Soviet Union and Romania agree not to take part in any alliance directed against the other party, and not to allow any third state to use their territories for the purpose of aggression against the parties who have signed the agreement. A similar agreement is being prepared with other member states of the Warsaw Pact, too. It is most likely that some kind of mechanism of the coordinating of joint actions will continue to exist, namely on high level, too. The Warsaw Pact as a military organization has ceased to exist. Now it is NATO's turn.

Warsaw Pact's Future Role Examined

PM2703160991 Moscow KRASNAYA ZVEZDA in Russian 26 Mar 91 First Edition p 3

[Article by Ye. Gusarov, deputy chief of the USSR Foreign Ministry Administration for Security and Cooperation in Europe: "The Warsaw Pact: Forward Without a Military Component"]

[Text] On 25 February, on the initiative of the Soviet Union, the foreign ministers and defense ministers of Warsaw Pact member states adopted a decision in Budapest to wind up the military structures of this organization 1 April 1991. This is a decision that corresponds to the will of the states that signed the Treaty of friendship, cooperation, and mutual assistance in Warsaw over 35 years ago.

Since its formation in May 1955, the Warsaw Pact organization has undergone a complicated evolution. In recent times it has become fashionable to describe the Warsaw Pact in uncomplimentary terms, essentially reducing its role to "interference" on the part of the Soviet Union in the internal affairs of the other member states for the sake of "defending the communist regimes" in power. Various labels are hastily pinned on it, such as "the instrument of imperial expansion and political control, and the source and embodiment of the military threat to the West."

Of course it cannot be denied that in the complex history of international relations, and this includes European relations, there have been moments when the Warsaw Pact and its structures and potentials have indeed been used in a way that does not fully correspond to officially proclaimed aims—the prevention of war, and the creation of a collective security system in Europe. However it would be wrong to display a prejudiced approach and deliberately suppress the indisputably positive aspects of the activity of the Warsaw Pact and its military organization in particular.

The defensive alliance and the Joint Armed Forces fulfilled a highly important mission as one of the key elements in the military-strategic equilibrium in the historical period when the approximate parity of arms and armed forces was a decisive factor in ensuring security and stability. We must not forget about this, although of course in the course of time, particularly toward the beginning of the eighties, the arms race and the expansion of military potentials started turning into a source of instability if not direct destabilization while the relative equality was preserved.

The conference of the Political Consultative Committee held in Moscow 7 June 1990 was a milestone in the history of the Warsaw Pact, when the new leaders of the allied countries met for the first time. Then a decision was adopted to elaborate concrete proposals to revise the nature, functions, and activity of the Warsaw Pact within the framework of a specially created Commission of Government Representatives, which included representatives of diplomatic and military departments of the allied countries.

Intensive examination of all kinds of options by the commission showed that for a number of allied countries, it was no longer necessary to continue multilateral cooperation in the defense sphere or to preserve military alliance relations within the framework of the Warsaw Pact. Evidently there is no need to explain that preserving a military alliance with any one of the East European countries is not an indispensable condition for ensuring security for the USSR.

Thus the military organization of the Warsaw Pact is receding into the past. Soviet people should know what this means for the country's military security. After all, it is not just organs of military cooperation, the Joint Armed Forces, their Staff, and other structures that are ceasing to exist. At the same time the withdrawal of

Soviet forces from Hungary and Czechoslovakia is continuing and will soon draw to its conclusion; the Soviet military presence on the territory of the FRG—a NATO member state which now includes our former ally, the GDR—is diminishing steadily; an agreement is being prepared on the withdrawal of 50,000 Soviet servicemen from Poland. According to the classical yardstick of yesterday, this can be portrayed as a "defeat." But according to today's yardstick, it is just a reasonable, correct step. In the final analysis it will only strengthen the USSR's security, enabling it to rid itself of what had lost its vitality. It is dangerous to live in the past; we must proceed on the basis of realities, and correctly assess the prospects of the development of the international situation.

In recent times new international-legal guarantees for the USSR's security have been created. A treaty has been signed between the 22 member states of the Warsaw Pact and NATO restricting the most destabilizing types of conventional weapons. Its main import is that offensive force groupings of tanks, artillery, motorized infantry, and aircraft cannot now be suddenly concentrated or turned into a concentrated attack force on the borders of the USSR. Western countries too receive similar guarantees. Thus, when the treaty is implemented, the possibility of a large-scale offensive from "on the spot" without a warning period is eliminated, since the hardware remaining in the participant countries following the Treaty on Conventional Weapons will be dispersed. In a military sense, Europe has become "more transparent."

The Soviet Union has concluded treaties taht are designed to develop relations of friendship and cooperation with three economically and militarily very powerful West European states—Germany, France, and Italy. Articles in the treaties with these countries preclude their participation in aggression against the USSR.

The negotiating process within the framework of the CSCE on problems of security, and confidence building measures and verification is advancing and the Conflict Prevention Center in Vienna is getting close to practical activity. Finally despite existing problems, the USSR and the United States are steadily moving toward concluding an agreement on strategic offensive arms, that will strengthen security of both powers and will raise the level of stability on a global dimension.

In the military sphere the interests of the USSR's security are reliably protected by a nuclear missile shield, powerful ground forces, and a modern Navy and Air Force. Today it is not just their reduction that is on the agenda, but also their further qualitative improvement on the basis of advanced achievements in science and technology while strictly observing the principle of defense sufficiency as well as treaty obligations that the Soviet Union has taken upon itself.

But the decisive factor of security today is the speediest emergence of our country from the socioeconomic crisis, the consolidation of society, and the easing of the extremely tense moral and psychological climate.

It would be insincere not to mention the problems that arouse our concern in the analysis of individual aspects in the development of the European situation. In our view, for example, the process of the crystallization of the general structures of security in Europe is proceeding too slowly at the moment. A tendency to obviously exaggerate NATO's role as the "only conceivable" nucleus of European stability and as its main guarantor can be traced. People theorizing about the possibility and desirability of expanding the "geography" of the North Atlantic Treaty, and this includes reasoning about the possibility of NATO reaching the Western border of the Soviet Union, are putting us on our guard.

We would not like to draw hasty conclusions but we also do not intend to hide the essence of our approach: The new structure of peace in Europe must take into strict consideration the interests of the security of all the states. The Soviet Union cannot be seen as an exception in this context.

The USSR intends to continue cooperating with Bulgaria, Hungary, Poland, Romania, and Czechoslovakia within the framework of the consultative political organization of the Warsaw Pact which is being preserved, as long as they are prepared to do this. At the same time we will pursue a line of extending and intensifying bilateral relations on a new treaty basis with our neighbors in the interests of peace and security on the European continent.

Ignatenko 2 April Briefing Reported

LD0204133191 Moscow TASS in English 1316 GMT 2 Apr 91

[By TASS correspondents Oleg Polovko and Leonid Timofeyev]

[Text] Moscow April 2 TASS—The cabinet met miners' representatives in the Kremlin today and constructively discussed the entire package of their economic demands, Presidential Press Secretary Vitaliy Ignatenko told a briefing here.

He quoted Prime Minister Valentin Pavlov as immediately telling miners that he would discuss only economic issues because political demands were outside the cabinet's sphere of responsibility.

The economic demands discussed at the meeting included pay hikes of 300 to 350 per cent, pension privileges for miners, income indexing in keeping with increasing living costs, and compensation for price rises on foodstuffs.

President Mikhail Gorbachev is expected to join in the discussion either tonight or on Wednesday. Ignatenko voiced confidence that it would prove possible to "find a common language".

Asked if the president had changed his position on the expediency of such meetings, the press secretary said the current discussion was the result of a sensible compromise reached by the sides after analysing the grave situation in the country, especially in coal- mining areas.

On Gorbachev-Nixon Meeting

LD0204182791 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 2 Apr 91

[Text] A meeting between USSR President Mikhail Sergeyevich Gorbachev and former U.S. President Richard Nixon has taken place in Moscow. A wide range of issues concerning Soviet-American relations was touched on.

Addressing Soviet and foreign journalists, Vitaliy Ignatenko, assistant to the USSR president and head of his press service, said in particular in this connection:

[Begin Ignatenko recording] This was a very frank conversation, fully in line with the level of Soviet-U.S. relations at the present time. As Mikhail Sergeyevich Gorbachev stressed, today's meeting summed up the results of Richard Nixon's great mission, which will make it possible to convey to the U.S. leadership and to Americans a correct understanding of the events taking place in the Soviet Union and to once again ponder the content of the policies being pursued by the Soviet state. This was a meeting of old acquaintances, and there was no need to spend time on getting acquainted in some way. The meeting started straight away, with words barely needing to be exchanged, with some very close understanding on the essence of the issues that were being touched upon.

The former president of the United States focused his conversation on the conclusions he had reached after his journey through the Soviet Union. The main conclusion or the main question Richard Nixon asked was: Does there not exist in our policy some kind of change or turnaround, or is this only a pause caused by our profound reforms, a pause to help us, so to speak, to take off again, to scale new heights, etc, to continue these reforms. In reply to these questions, very extensive answers were given by Mikhail Sergeyevich Gorbachev.

I think that Richard Nixon was satisfied. Commenting on what was said by Mikhail Sergeyevich, Richard Nixon precisely said that the United States is in favor of a strong Soviet Union, not only militarily but also economically, and of good relations between the United States and the Soviet Union, for they have a great influence on the entire situation in the world. The world needs good relations between our countries. [end recording]

Previews Iliescu Visit

LD0204213591 Moscow TASS International Service in Russian 1340 GMT 2 Apr 91

[By TASS correspndents Oleg Polovko and Leonid Timofeyev]

[Text] Moscow, 2 Apr (TASS)—Romanian President Ion Iliescu's visit to the USSR will take place from 4-6 April. This was stated at a briefing here today by Vitaliy Ignatenko, the USSR presidential assistant.

Talks between USSR President Mikhail Gorbachev and the Romanian head of state will be held during the visit. This meeting, Vitaliy Ignatenko went on, will be an opportunity to exchange opinions on a wide range of issues concerning the political changes in the two countries, the renewal and further development of relations between the USSR and Romania and their interaction in the international arena in the context of the cardinal changes in the situation in Europe and throughout the world.

A central part of the program will be taken up by the signing of a treaty on cooperation, goodneighborliness and friendship between the USSR and Romania. Several days ago this document was initialed in Moscow by the foreign ministers of the two neighboring countries.

After the talks in the Soviet capital Ion Iliescu is expected to tour the country.

On Upcoming Visits, Domestic Issues

LD0204180191 Moscow TASS in English 1722 GMT 2 Apr 91

[By TASS correspondents Aleksandr Kanishchev, Oleg Polovko, and Leonid Timofeyev]

[Excerpts] Moscow April 2 TASS— [passage omitted] Presidential Press Secretary Vitaliy Ignatenko told a briefing here today that Gorbachev's talks with Polish Prime Minister Krzysztof Bielecki, expected to visit the USSR on Thursday, will cover bilateral relations and the updating of their legal basis. The transit of Soviet troops withdrawn from Germany through Poland is also expected to be discussed.

The Soviet president will receive also Syrian Foreign Minister Faruq al-Shar', who is coming to Moscow and is expected to bring a personal letter to Gorbachev from Syrian head of state Hafiz al- Asad, Ignatenko said. According to him, the talks will focus on a Middle Eastern settlement, in particular a regional security system, and bilateral economic cooperation.

Soviet arms sales to Syria will not be discussed, Ignatenko said in reply to a question. [passage omitted]

On Gorbachev's reaction to the Georgian independence plebiscite, he said no special statement should be expected on this score. "We consider the Georgian poll legally invalid since it has been conducted without observing the requirements of the Soviet Constitution and laws," Ignatenko said.

He added that the referendum should be seen as a non-binding public opinion survey.

On Soviet price hikes, Ignatenko said: "Having risen prices, we do not expect that within two days shops will be filled with goods." He said the National Security Council's last meeting discussed the pricing problem.

The price increases, Ignatenko said, should help balance economic strategy and increase producer motivation.

Role of European Development Bank Viewed

PM0204150191 Moscow PRAVDA in Russian 28 Mar 91 Second Edition p 4

[Lev Strzhizhovskiy "Viewpoint": "For the First Time. And on Equal Terms"]

[Excerpts] The USSR Supreme Soviet has quickly and professionally ratified the agreement instituting the EBRD [European Bank for Reconstruction and Development]. The deputies' wisdom can only be welcomed, because we have a right to expect (and there are grounds for this) attention and support from the new financial organization, although the abbreviation itself—EBRD—tells the reader little. [passage omitted]

What can we hope for now? Politicians and financiers have made many statements over the past year on the strategy that the new bank will implement. Despite all the differences in them, two interconnected lines are clearly apparent. The political line above all. The link between politics and economics is directly stipulated both at the preparatory stage and in the bank's charter itself. The EBRD will be the first bank to lay down a scale of sanctions against countries limiting the process of democracy. "We will study every country every day," Bank President Jacques Attali declared recently. I think it is important to point out that a year ago U.S. representatives were objecting to the USSR's membership of the bank precisely because of a "lack of democracy." Later, in the course of debate, a compromise was worked out and the objections were lifted. The first condition—a political one—has thereby been fulfilled by the Soviet side. Fulfilled in the course of our historical development and—no less important—acknowledged and evaluated by our partners.

As regards finance, provision is made above all for important, major projects helping to bring the two parts of Europe closer together. The bank is examining a major ecological program to cleanse the waters of the Baltic. Practically all European countries have an interest in it. It is planned to create modern infrastructures: telephone and railroad networks and telecommunications. Of course, all these projects directly affect our country and its equal participation in the creation of the European home.

It seems to me that one area of the bank's activity is most promising for us. It is a question of the development of medium and small enterprises—which is particularly important at the present stage of perestroyka. In accordance with its charter, the bank will lend up to 60 percent of its capital precisely for the development of such private enterprises and businesses. The developments and assessments which EBRD special experts will tackle can be of considerable assistance to our economy. Our country fits within the general program for improving the economy of East Europe.

So, new prospects are being opened up before the 700 million [figure as published] consumers in East Europe (including the Soviet market). The difference between them and the previous loans and projects, already known to us, lies in a new principle. For the first time, and on equal terms, we have become parties to a major international financial organization, we will be able not only to ask but also to decide.

United States & Canada

Nixon Returns To Moscow, Meets Leaders

Gorbachev Meeting Described

CM0304105791 Moscow PRAVDA in Russian 3 Apr 91 Second Edition p 1

[TASS report: "Talks in the Kremlin"]

[Text] On 2 April former U.S. President Richard Nixon's visit to the Soviet Union ends in a meeting with the USSR president, and the results of his numerous contacts with representatives of various political forces in Moscow and in the republics, with many public and state figures and scientists, are summed up. The conversation with a politician of such stature, whom M.S. Gorbachev has met on many occasions, was naturally concentrated on what is now in the center of general attention—events in the USSR and Soviet-U.S. relations at the present moment.

R. Nixon was interested in whether perestroyka's principal course was being maintained in the atmosphere of contradictions and sharp disagreements on the most cardinal problems of the further development of Soviet society.

M.S. Gorbachev, proceeding from the significance of a correct understanding in the United States of the situation in the USSR and of the policy of the Soviet leadership, shared with his interlocutor his assessments of what is taking place. Bearing in mind the doubts which have spread in the United States, he stated: They can rest assured over there that they are dealing with the old Gorbachev. The course toward fundamental transformation of all forms of society's life remains. We are destined, he stressed, to carry out the profoundest reforms. There is no other way. Otherwise the country will not find its second wind and reach the level of progress it deserves.

But the reforms which have already affected the fundamental interests of various sections, of all the people, have aroused a growing instability in society. The point of the measures being adopted now and of the anti-crisis programs is to find the best possible correlation between stabilizing the situation and creating the conditions for movement toward a mixed market economy, for the proper functioning of the structures of a rule-of-law state and for the resolution of the problems of a huge, multiethnic state. By all possible means we will promote enterprise and support initiative and the broad development of "small business" in production, trade, and the service sector. But we cannot allow ourselves to throw everything into the arms of the market. This would put our entire young democracy at risk and really would play into the hands of reaction.

Now extremes are particularly dangerous. Centrism—this is moving toward responsibility and striving for the new. If we do not hold this line and fail to consolidate the democratic forces around this, then a serious civil conflict is possible. If we do not halt the breakup of the state—of the economy, of legality, and of the links between the republics, and if we do not keep the new democratic processes within peaceful bounds, then the country really could find itself in a state of chaos out of which a dictatorship could be born.

Decisiveness does not consist of a return to repression, to the suppression of those with different views, and to the division of society once more into "Reds" and "Whites." Decisiveness consists of helping, with restraint and patience, without succumbing to pressure from either the right or the left, a new political culture to emerge, one which acknowledges pluralism, the rivalry of political programs, and discussion, while strictly observing statutes and law and order. Firm authority supported by laws is necessary for democracy to function.

During the discussion on the problems of the renewal of the union, M.S. Gorbachev confirmed his position. We are talking about a completely new Union of really sovereign republics. Despite furious attacks from the opposition, the referendum has expressed the attitudes of the majority toward this idea. Those republics which decide to leave as a result of legitimate referenda should accept the need for the constitutional process which will allow them to protect the interests of all whom such a dramatic breakup will inevitably affect.

Regarding Soviet-U.S. relations, nothing has changed here, on our side, said the president. He expressed his conviction that it will continue to remain so in the future, although there is some criticism based on certain facts. The choice which was made is based on the understanding that good Soviet-U.S. relations are in the interests of the Soviet Union in the long term, and this is not just in the realm of certain political circles; this has already embedded itself in the public conscience and has taken root in the people's minds. I am convinced that the United States also needs good relations with the Soviet Union which are aimed at the long term prospects, not to mention that the healthy development of the world process is impossible without them.

The president supported R. Nixon's words that Soviet-U.S. relations can not be substituted by anything and should be equal, tactful, and respectful in all their manifestations. Both agreed that with all the possible disagreements and differences of the interests, the USSR and the United States should be side-by-side during decisive moments in world developments. M.S. Gorbachev highly praised the position which George Bush has taken in this regard, and expresserd hope that the trust and openness established with the U.S. President will not only maintain and deepen Soviet-U.S. interaction in the present situation, but will also lay solid foundations for friendly relations between the two great states and peoples for a long time to come.

In general, a frank and substantive conversation reflecting the character and significance of the Soviet-U.S. dialogue, took place. M.S. Gorbachev sent his greetings and best wishes to George Bush.

Holds Talks With Yeltsin

LD0204213791 Moscow Radio Rossii Network in Russian 1915 GMT 2 Apr 91

[Text] Boris Nikolayevich Yeltsin met Richard Nixon today. Our correspondent reports:

The meeting between Boris Yeltsin and Richard Nixon in the Kremlin took place during a recess in the work of the extraordinary congress of People's Deputies. The conversation lasted nearly one and a half hours, including one hour during which the chairman of Russia's Supreme Soviet and the former U.S. President were talking behind closed doors. In the part of the meeting which was open to journalists, Boris Yeltsin spoke about the present situation. He described it as grave and even critical. He said that perestroyka has reached a dead end; moreover, it is switching into reverse gear. It is necessary, said Boris Yeltsin, to undertake more decisive, even radical, measures, in order to shift from a standstill and move the process of democratization forward. After the closed part of the meeting Boris Yeltsin, who was in a hurry to return to the congress only managed to say a few words to journalists.

[Begin Yeltsin recording] I have told [Nixon] how I see the present U.S. Administration's policy toward Russia. I think he understood me and will probably relay these wishes to the administration. [end recording]

Richard Nixon stressed that he intends to convey the content of the conversation and his estimate of the situation in Russia to President Bush. He also stressed U.S. interest in the Soviet economy's development, and in the USSR being not only a nuclear but an economic superpower. This can only happen when the reforms undergo further development, said Nixon. The first stage will be very difficult, but the prospects for the development of the Russian and the union economy are good, the former U.S. president thinks.

Officials Meet Visiting U.S. Senators

Kryuchkov Meets Delegation

LD2803200391 Moscow TASS in English 1952 GMT 28 Mar 91

[Text] Moscow March 28 TASS—Vladimir Kryuchkov, member of the USSR Security Council and chairman of the USSR State Security Committee, has received a group of U.S. senators led by David Boren, chairman of the U.S. Senate's Select Committee on Intelligence.

A wide range of matters of mutual interest were discussed.

Primakov Receives Senators

LD2903161391 Moscow TASS in English 1538 GMT 29 Mar 91

[Text] Moscow March 29 TASS—Member of the USSR Security Council Yevgeniy Primakov received U.S. Senators John Chafee and Orrin Hatch. They discussed Soviet-American relations and other international issues.

Obukhov Receives Boren, Hatch

LD2903184891 Moscow TASS in English 1607 GMT 29 Mar 91

[Text] Moscow March 29 TASS—Soviet Deputy Foreign Minister Alexey Obukhov today received U.S. Senators David Boren and Orrin Hatch.

They discussed Soviet-U.S. relations, including disarmament issues.

Both sides stressed the need to speed up negotiations to achieve major agreements on the limitation and reduction of armaments, which is viewed as a key element in Soviet-U.S. cooperation.

They focused on measures to ensure the earliest possible ratification of the treaty on conventional forces in Europe and to complete a draft treaty on a radical cut in strategic offensive weapons.

Appointment Heralds Focus on Economic Ties

PM2703142391 Moscow IZVESTIYA in Russian 27 Mar 91 Union Edition p 5

[Report by correspondent V. Nadein: "Boost to Cooperation"]

[Text] Washington—An eminent expert on the Soviet economy is to be a member of the U.S. National Security Council.

Ed Hewett, a well-known U.S. academic who is considered one of the most heavyweight specialists in the sphere of the Soviet economy, has been appointed a member of the National Security Council. This decision of U.S. President G. Bush had been discussed in Washington lobbies for two weeks, but was only announced Sunday.

E. Hewett has been a professor at such prestigious U.S. universities as Harvard, Columbia, Texas, and Virginia. He knows Russian (and Hungarian, incidentally) and has been repeatedly to the Soviet Union, where he has lectured and written in the Soviet press.

As founder and editor of the journal SOVIET ECONOMY, Dr. Hewett is widely known among our economists, and he maintains very close professional ties with many of them. Immediately before his appointment to the prestigious post in the presidential team he was

working as a senior researcher at the Brookings Institution, which has a reputation as a very serious intellectual center of the nation.

In a number of his works Dr. Hewett has not only made an in-depth analysis of the policy of perestroyka in the USSR but also supported it unequivocally. He will replace in the post of chief presidential adviser on Soviet affairs Condoleeza Rice, who took an active part in the Soviet-U.S. top-level meetings in Malta, Washington, Helsinki, and Paris.

C. Rice, a former professor at Stanford University, is returning to academic work. She is an eminent specialist in the sphere of disarmament.

The change of presidential advisers does not betoken any serious revisions to Soviet-U.S. relations on the part of the White House. It does make it possible to foresee at least two promising trends, however. First, the emphasis will be placed on economic cooperation in relations between the two major powers. Second, the preliminary elaboration of problems will be carried out in the White House apparatus by someone who not only pays tribute to the scale of the changes that have already been made in the USSR but is also profoundly aware of their unprecedented complexity.

Commentators here believe that Soviet-U.S. relations are being given a propitious new boost. They reckon that the White House intends to continue vigorous cooperation with the Kremlin, as evidenced not only by E. Hewett's appointment but also by the emphatically friendly tone of the message which G. Bush has just sent to M.S. Gorbachev. The message contains proposals for accelerating consultations to conclude a treaty on nuclear missile disarmament.

This is interpreted as an important step toward ensuring that the summit meeting postponed because of the war in the Persian Gulf takes place in good time.

China

Media Interviews Bessmertnykh on China Talks

IZVESTIYA Interview

PM0204214591 Moscow IZVESTIYA in Russian 3 Apr 91 Union Edition p 5

[Interview with USSR Foreign Minister A. Bessmertnykh by correspondent Yu. Savenkov in Beijing on 2 April; first three paragraphs are IZVESTIYA introduction: "USSR-China: Green Light; USSR Foreign Minister Answers IZVESTIYA Correspondent's Questions"]

[Text] Beijing—"Political contacts as well as contacts in other spheres are the most valuable thing that we must cherish, develop further, and make richer and more intensive." This was the conclusion reached by USSR Foreign Minister A. Bessmertnykh, who Tuesday completed a working visit to China which was a continuation of the traditional dialogue between the USSR and the PRC.

The leitmotiv of the meeting with State Council Premier Li Peng and of the talks with PRC Foreign Minister Qian Qichen was the upcoming May visit to the USSR of Jiang Zemin, general secretary of the CPC Central Committee, which, in the opinion of both sides, will give a new impetus to the expansion of Soviet-Chinese ties. It is a major event in the history of relations between the two countries. It has been decided to give the "green light" to all contacts between the USSR and PRC in the time remaining until the new Soviet-Chinese summit meeting. It was agreed, for example, to step up work at the talks on mutual armed forces reductions and on confidence building in the military sphere in the Soviet-Chinese border region. The next plenary sitting of the government delegations will take place at the end of April in Moscow.

Just before A. Bessmertnykh's flight home an IZVESTIYA correspondent met with him in Beijing and asked him several questions.

[Savenkov] The first impression is the deepest. That is the saying in China. How do you assess your first meetings with Chinese leaders? What problems were discussed?

[Bessmertnykh] Yes, it is my first visit to China as foreign minister. I have never been here before.

There was much of interest to a novice at the dialogue with Chinese leaders. I followed with great attention my interlocutors' logic on the fundamental problems of the development of bilateral and international affairs. In the talks, which I consider constructive, I sensed certain nuances in the assessments. I will note the two main impressions.

The first impression: The frank and perhaps confidential atmosphere. Nobody tried to avoid discussion of any problems, even sensitive, delicate problems.

The second impression: The wide spectrum of issues. The Asia-Pacific region, Cambodia, the Korean peninsula, Japan, our relations with these countries, and the prospects for unraveling difficult problems. The Afghanistan problem and the situation in the Near East and the Persian Gulf were discussed. European affairs were broached.

But perhaps even more time was devoted to bilateral relations. That naturally means relations in the new phase, after President M.S. Gorbachev's trip to China followed by Premier Li Peng's visit to the USSR.

We even permitted ourselves a small luxury: We talked for a while about certain conceptual aspects of the world situation, including aspects that are occupying the minds not only of practical politicians but also of political

scientists. These profound processes of international life will, I think, also be on the agenda of future discussions.

The prospect of developing political dialogue at the highest level accented all our discussions. In May we await the visit to Moscow of Jiang Zemin, general secretary of the CPC Central Committee. In this connection we not only tried to interpret the current state of our relations but also worked on final documents which should enrich the contents of the upcoming talks. Having compared our conceptual approaches to these documents, we discovered a coincidence of views in the most serious aspects. I note this with great satisfaction. Of course, considerable diplomatic efforts will still be required on the rapprochement of positions, but a very great deal has already been achieved.

[Savenkov] It is often said that Soviet-Chinese relations are becoming more mature. If you agree with this assessment, in what specifically can the maturity be seen?

[Bessmertnykh] I do not know how accurate this term is. Soviet-Chinese relations have a rich history. Both here and in China these relations were by no means in their infancy during the period of revolutionary tempests and at the time of establishing the new state. Both peoples perfectly grasped what was occurring and sensed that these events were of enormous importance, events changing the face of the country, of the region, and to some extent of the whole world.

In short, the point is not so much the maturity of contemporary Soviet-Chinese relations as their intensity and confidence. We have also experienced a period of braking, cooling, and suspicion. And now we want to revive all that is good. But on a new basis... There is no return to the fifties. Having gotten through arduous experiences, peoples look at many things differently. And the new leaderships of our countries have an innovative view of the processes that are occurring.

But if we are talking about maturity, I will note two things. First, we are attempting to analyze how to combine the interests of every country for the common good. For instance, how to find points of compatibility and mutual complementarity in our economies. Second, we are attentive to the processes taking place in each country. Premier Li Peng, for example, assessed the difficulties being experienced by the Soviet Union as temporary and expressed hope for the success of our perestroyka in the light of the USSR's powerful potential. A new key sprang up between us: There is no false euphoria in the event of successes. Neither is there general carping in relation to what happens on the other side of the border. We want to understand each other's main values and try to find something of value in each other's experiences.

[Savenkov] While the Gulf War was going on the Cambodian settlement was out of the spotlight. It is now once again in view. How do you assess the current phase of the settlement and the nature of the dialogue about this problem with your Chinese colleagues?

[Bessmertnykh] This festering conflict, Bessmertnykh says, was the subject of a detailed discussion. Both countries have a direct involvement in the Cambodian issue. In my view, the most important thing now is to create a situation in Cambodia in which the Khmer sides could more fully realize the importance of the correctly taking into account the drafted documents, understand the need to end armed clashes, cooperate more actively with the Paris conference's cochairmen, and heed more closely those who wish the settlement well. We think that the upcoming meeting in Jakarta should play a positive role in the search for a final settlement. In the Soviet side's opinion, additional steps are needed to stop the fire from flaring up. The flow of weapons into the region must be stopped and maybe a moratorium on deliveries of them should be introduced. On the whole, both sides' attitude to a search for a solution to the conflict is positive. I think that China and the Soviet Union will continue to play an active role.

[Savenkov] As far as I know, this is your first time in the Asia-Pacific region. This region was obviously not a priority area in the previous years of your diplomatic career. But apparently this has its advantages? You have a fresher view; there is no burden of stereotypes. How do you see the USSR's place in the Asia-Pacific region in the integration processes that are taking place here? It seems to me that Eurocentrism still prevails in the views of many people, including diplomats...

[Bessmertnykh] At certain stages in our policy, the minister says, more attention was devoted to relations with Europe and the United States than to relations with Asia-Pacific region countries. That is a chapter in our diplomatic history. Perhaps it was once justified by something? But to say that Soviet foreign policy suffers from Eurocentrism is an exaggeration. Not studying Asia specially, working in other diplomatic areas, I constantly sensed this region's growing importance and the attention given it by Soviet leaders.

Nowadays the Asia-Pacific region is one of the priority areas of Soviet foreign policy. And as a new minister I consider it absolutely essential to devote the most constant attention to it. My trip to China and Japan is evidence of that interest. And my predecessor, E.A. Shevardnadze, apparently passed through all the Asia-Pacific region countries with a few exceptions.

This line will continue. Not to mention the initiatives announced by our president in Vladivostok and Krasnoyarsk.

I think that this region will increasingly sense our presence and constructive participation. This is maybe where the future of the world's economic and political development really lies. Here our interests on many positions coincide with China's: Security, economic development, introducing an element of stability. The Asia-Pacific region's problems are the subject of our dialogue with many Asiatic countries, but it is especially important with China. We, as friendly powers, must clearly see the

boundary between our interests and must combine these interests as far as possible. I am very pleased with the nature of the discussion on the Asia-Pacific region.

[Savenkov] What are the prospects of reducing military confrontation in the Asia-Pacific region and resolving disarmament problems? Because a considerable amount of weaponry has been accumulated in this region too. In your view will they draw from European experience?

[Bessmertnykh] The topic of limiting the arms race and military confrontation occupies everyone who is interested in the region's fate, Bessmertnykh says. But it is naive to think about European practices. Asia has a wealth of its own initiatives and ideas—they must be carefully studied. Although obviously something useful from European experience might be of help.

A clear division into two opposing camps of East and West typified Europe. This predetermined the methods of searching for a solution in the disarmament sphere and was an aggravating and at the same time a mitigating feature. In Asia there is no such obvious division into opposing groupings. Therefore more refined methods are needed here. Why not, for example, now search for a solution on a subregional or bilateral level? And then maybe something attractive to the whole region will appear?

Confidence building measures are especially important in the Asia-Pacific region. In Europe they have progressed to trust via disarmament. Here the reverse process—to disarmament via trust—is apparently more realistic. Much in this region is not settled and is too kaleidoscopic. So far there is no unified talks process which would encompass the growing number of countries. Obviously it cannot be created immediately. Streams must be found which will later flow together in a single torrent.

There is no escaping from security problems. Even if we were to concentrate on economic development and prosperity. These processes are parallel and at times intersecting. They should help to ensure that the Ocean is truly Pacific [tikhiy] and that Asia achieves stability.

TASS Interview

LD0204232191 Moscow TASS International Service in Russian 2125 GMT 2 Apr 91

[By TASS correspondent Vladimir Kashirov and Vladimir Kulikov, All-Union Television and Radio correspondent]

[Text] Beijing, 3 Apr (TASS)—Since the first meetings and discussions with PRC leaders I have sensed their sincere desire to develop Chinese-Soviet relations, which fully coincides with the mood of the Soviet leadership. This is what USSR Foreign Minister Aleksandr Bessmertnykh stated here on Tuesday in an interview with correspondents from TASS and the All-Union Television and Radio Company.

The minister said that for two years already, Soviet-Chinese relations have been developing at an ever increasing pace. Two years is not a long time; it runs from Mikhail Sergeyevich Gorbachev's visit to Beijing and then the visit to the USSR following this by Li Peng, premier of the PRC State Council. Now the next Soviet-Chinese summit meeting is planned for the near future. This time the arrival in Moscow of Jiang Zemin, secretary general of the CPC Central Committee, is expected. The most logical thing on the route to advancing the USSR and the PRC now is a "green light" and we do not see any need to turn on the "amber" or the "red light" of the traffic-lights for Soviet-Chinese relations. At present relations between the two countries have been completely normalized. The USSR and China are broadening cooperation in various fields, and they are building their relations on a new basis of full trust, equality, and respect for sovereignty; that is to say on the basis of the fundamental standards of international relations which are recognized throughout the civilized world. Due to this there are fewer suspicions, and fewer doubts and jealousies of all kinds.

I discussed a fairly broad range of issues with Prime Minister Li Peng and Foreign Minister Qian Qichen and it is characteristic that this time, a great deal of attention was devoted to bilateral relations. When the discussion mainly concerns bilateral links, this is the first sign that relations are intensifying, that they really are attracting the attention of the leadership of the two countries and that brighter prospects are really appearing. But the point is not only bilateral contacts. I was very heartened, and to a certain degree, even delighted when my Chinese comrades touched upon several issues of the conceptual-philosophical order, which happens quite rarely in practice during deplomatic discussions. In other words, an active process is going on of interpreting the way in which the world is developing and what role the USSR and China are to play in this world, which forces are emerging in our still unsettled world and how they are to relate one to the other? This was a very interesting topic, and I think that it could become a permanent element in future Soviet-Chinese dialogue.

During the talks we discussed, of course, questions of international politics in a more specific context, and we dwelt in detail on the situation in the Asia-Pacific region, which is naturally of interest to both the USSR and China. Both our powers are Asian and Pacific. Therefore, the close attention of the USSR and the PRC to the problems of the Asia-Pacific region which is immense and varied in the political, economic, social and ethnic contexts of the region, is natural. I believe that this attention will continue to grow in the future. It is impossible to correctly build a policy without comparing the views of the USSR with the views of China on the processes which are occurring in the region.

We spoke, the minister went on, about certain aspects concerning "hot spots" in the Asia-Pacific region, in particular, about Cambodia where a final settlement has still not been achieved, and about the situation on the

Korean Peninsula, and we discussed questions of easing tension in this region as a whole.

I would also like to draw your attention to a subject which is rarely mentioned in an optimistic positive tone. For example, an immense amount of work has already been done, as you know, on the question of the border between the USSR and the PRC. Nearly 80 percent of the line of the Soviet-Chinese border has been agreed upon. And this, after all, is the longest border in the world—over 7,000 km. Our border is becoming a border of peace and cooperation. Only eight sections still remain to be agreed upon. This is an undoubted success which creates a good basis for optimism.

Now we are involved in a completely new type of negotiations with our Chinese partners. It means lowering the level of military activities and increasing confidence building measures in the region of the Soviet-Chinese border. These negotiations are at an earlier stage compared with the border negotiations, but they already are sufficiently interesting, and are progressing further.

Diplomacy and foreign policy, noted the minister, are increasingly becoming a pragmatic science and a pragmatic craft. We cannot now simply talk about the improvement of relations without trying to reinforce these with a specific expansion of trade, economic and financial cooperation. This is why the economic theme also figured in the negotiations and especially in the conversation with Li Peng, head of the PRC government. In this sphere our two states have good starting points. The USSR and PRC economies are quite compatible. Each of them posesses certain advantages, and when we start to combine these advantages both sides will benefit. We have wide opportunities and prospects here, we just need to manage them wisely. Our countries' potential for economic development are great. China is truly rich with its traditional industries. Let us take textiles, for example. The USSR would probably take a long time to reach the level China has achieved in the development of this branch of light industry which has been recognized world-wide. Therefore, it seems reasonable to make use of the PRC's achievements while offering our own achievements in return. Broad opportunities also exist in the field of scientific and technical cooperation. The USSR and PRC have a high level of technical development. We can combine these processes and achieve significant successes.

Going on to talk about the personal impressions which he took away from his short stay in China, the minister said in particular: I have not specialized in the problems of China, and know that country as well as any well-informed Soviet intellectual. Of course, as a professional, I have fairly often had occasion to come into contact with Chinese issues on the political and diplomatic plane. And now I have come to Beijing for the first time and completed my first practical check on the stereotyped knowledge which I had accumulated.

My first impression of my stay and conversations in the Chinese capital is most positive. I would rate highly the manner in which my Chinese colleagues conduct talks. It is gentle, respectful, pleasant and friendly, and sometimes confiding and frank. All this is evidence of a high level of dialogue.

Personal elements also arose in Beijing. Having gotten to know my Chinese counterpart, Qian Qichen, I spent many hours with him in conversations and dicussions. As a result, there arose a strong feeling that we had already known each other for a long time. Incidentally, I have invited comrade Qian Qichen to come to Moscow on an official visit, which might take place as early as this year.

The splendid time spent in China has enabled me to come slightly into contact with the innermost qualities of any people, which can only be sensed personally. It is impossible to glean them from accounts, books or even from vivid sketches and articles by talented journalists.

I am leaving Beijing with a feeling of deep satisfaction, satisfaction with the talks and meetings which have been held and with the opportunities which the Chinese comrades have given me to acquaint myself with their great country. There are just five minutes left until I leave for home, and I am already feeling a desire to come here again, Aleksandr Bessmertnykh said, in conclusion.

Northeast Asia

Bessmertnykh Comments on Bilateral Talks in Japan

LD0204225391 Moscow Central Television First Program Network in Russian 2100 GMT 2 Apr 91

[Interview with USSR Foreign Minister Aleksandr Bessmertnykh by correspondent S. Goryachev, upon his arrival at the airport in Moscow on 2 April from Beijing; from the "Television News Service" program—recorded]

[Text] [Goryachev] The foreign minister's plane has just landed. In normal circumstances, this fact would be just for an official diary, but not today. The foreign minister visited Japan, where preparations for the USSR president's visit to Japan are nearing completion. We will try to elicit from Foreign Minister Bessmertnykh the positions of the sides prior to the USSR president's visit.

Aleksandr Aleksandrovich, my first question is probably the most complicated as far as you are concerned and it is probably a complicated issue for the president during his visit to Japan—the issue of the so-called Northern Territories. Until now, the positions of the USSR and Japan have left little opportunity for any kind of mutual understanding. Tell us, are there any shifts, any sort of evolution in our positions now, on the eve of the president's visit?

[Bessmertnykh] The central question, connected with the present state of Soviet-Japanese relations is to elaborate a peace treaty. But a peace treaty cannot be finally elaborated and completed without resolving the problem of territorial demarcation or of where the borders correctly lie. So, this question will figure on the agenda, it is already on the agenda and it will be discussed in the appropriate way when further work is done on the peace treaty. I think that mutually acceptable solutions will be found.

[Goryachev] It is reported that 11, or, according to other reports, 16 bilateral agreements between the USSR and Japan are being prepared for signing. Can you tell us briefly what these agreements will be?

[Bessmertnykh] Between 15-17 bilateral agreements are currently being drawn up, concerning most diverse areas of cooperation, including scientific and technical cooperation, trade and economic, cultural and humanitarian cooperation, plus certain specific agreements, practical ones, as it were, concerning coastal trade and so on. I think that it will be a very significant foundation for developing our relations. It will broaden these ties between the two states and will give them a serious impetus.

Tokyo Remarks Cited

PM0204120791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 2 Apr 91 p 5

[Correspondent N. Tsvetkov report: "Visit on Eve of Visit"]

[Text] Tokyo—Just a few days remain before the Soviet president's arrival in Japan—a visit which almost everyone here, regardless of their political sympathies, is calling the main event of the year. It is no wonder, therefore, that extraordinary interest has been shown in the visit to Japan by USSR Foreign Minister Aleksandr Bessmertnykh. The Soviet delegation also included Andrey Kozyrev, head of the Russian Federation [RSFSR] foreign policy department. Japanese colleagues hung on our diplomats' every word, hoping to catch at least a hint what M.S. Gorbachev will be bringing with him to their country.

At a final news conference A.A. Bessmertnykh noted the Soviet and Japanese sides' complete unanimity on the view that President Gorbachev's visit to Japan will be an historic event marking a new quality of relations between our states. Around 15 agreements have been prepared for signing during the meeting.

The time has come, the foreign minister stressed, to free ourselves of the anachronisms of the past. That need is felt particularly keenly on the issue of a peace treaty between the USSR and Japan. Work on the treaty is proceeding quite well on the whole and on a number of the main articles fairly broad mutual understanding has been reached. Although of course, Bessmertnykh noted, we still face one of the most important elements in the conclusion of this treaty—the question of territorial demarcation, the question of borders. As for the 1956 Soviet-Japanese joint statement, that document has undoubtedly played a fundamental role in restoring diplomatic relations between the two countries and normalizing Soviet-Japanese relations.

It is necessary, Bessmertnykh noted, to raise and resolve the question of developing cooperation between the two countries in all areas and set about creating an atmosphere of trust. Trust is the key word that would make it possible to resolve many of the problems troubling both sides, including the most sensitive and difficult problems.

"Does the Soviet side recognize the existence of the unresolved question of the 'northern territories' or not?" Japanese journalists inquired.

"As far as we are concerned there is nothing north of us except the Arctic Ocean. Therefore it is not a problem of terminology but of the essence of the question," the minister replied. "And the essence of it is that we need a solution making it possible to draw a clear border line between the two states. As for which islands that border will pass between, that depends on our capabilities and possibilities, and the existing realities."

The Japanese are also worried by the following question: Will the "friction," as it is known here, between the Union and republic leaderships not have an adverse effect on Japanese-Soviet relations?

"The Russian Federation Government's interest in what is happening at the talks now is natural," the Union minister replied, "and we welcome it. I would say that the RSFSR foreign minister's participation is facilitating those talks. When examining the positions of the Union Government we took the Russian Government's interests into account. Russian representatives took part in elaborating our approaches to the development of mutual relations with Japan. The RSFSR does not claim to be a separate party [otdelnyy subyekt] to the talks. In this instance work is being synchronized."

Republic Minister Kozyrev, who was present in the hall, did not take part in the news conference but confirmed in an interview with the HOKKAIDO SHIMBUN that without the participation of the government that he represents none of the important questions in Soviet-Japanese relations can be resolved.

Compromise Encouraged on Kuril Island Issue

PM0204154391 Moscow KRASNAYA ZVEZDA in Russian 2 Apr 91 First Edition p 3

[Article by IAN Observer A. Lazarev: "USSR-Japan: Time for New Approaches"]

[Excerpts] There are just a few days to go before the start of USSR President M.S. Gorbachev's visit to Japan. On the threshold of this event there is a natural question:

What should the peoples of the two countries and the world community expect of it? The answer depends to a great extent on the positions that the two sides adopt concerning the state affiliation of the four islands in the southern part of the Kuril chain. [passage omitted]

What is Moscow's position in this dispute that has dragged on for decades? For a long time the Soviet side insistently repeated that the "territorial problem" as such did not exist, since the postwar settlement had definitively resolved the question of sovereignty over the Kuril Islands. However, a definite departure from this position has begun to emerge recently. Diplomats from both sides have sat down at the negotiating table, but as yet have shown no readiness to move to meet each other halfway. Both sides have exhausted their historical, political, geographical, and international legal arguments without making any impression on their opposite numbers.

However, the official position is nowadays no constraint on the quest of the historians, economists, and political scientists who have literally flooded our mass media with their plans for solving the territorial problem.

The most popular proposal is for a return to the 1956 accords. Then the two countries' prime ministers signed a Joint Declaration on the Normalization of Bilateral Relations. Within the framework of these accords the USSR promises to transfer the islands of Habomai and Shikotan to Japan after the conclusion of a Soviet-Japanese peace treaty. However, in 1960, after the conclusion of the Japanese-U.S. Security Treaty, granting the United States the right to station its military bases on Japanese territory, the USSR reneged on the promise made in 1956 and declared that the territorial question had been finally solved.

Nevertheless, many Soviet analysts believe that a return to the 1956 accords could lead to the desired detente. First, treaties must be implemented. Second, this option would allow Japan to "save face," an extremely important consideration for diplomacy in the East. Third, the obstacles to the expansion of business cooperation with Japan so keenly desired by the USSR would be removed.

Another scenario for a solution to the protracted dispute is purely economic. Certain Soviet academics are proposing that the disputed territories be declared a free enterprise zone, thereby deferring a political decision on sovereignty until some future time.

The third scenario is basically similar to the Japanese view. The advocates of the speediest expansion of cooperation with Japan are prepared to sacrifice all four islands. But this is probably the scenario for a solution of the question that is least popular in the USSR, and least realistic.

There are also many other ideas that often testify not so much to a desire for a rational settlement of the conflict as to the incompetence of their authors regarding historical and legal aspects of the problem. Thus serious academics only shrug when talk turns to the possibility of "selling" the disputed islands to Japan. Finally, I could mention proposals such as the transfer of these islands to the United Nations, the creation of a Soviet-Japanese consortium in the South Kurils, and so forth.

What will M.S. Gorbachev take with him to Tokyo? He has repeatedly emphasized his reluctance to give up even an inch of Soviet territory. That is, so to speak, the bottom limit restricting freedom of maneuver at the talks with the Japanese premier. The upper limit is probably the aforementioned return to the 1956 accords. But, in analysts' opinion, it would be most realistic to turn to an "interim solution." The USSR might propose to postpone for a while a solution of the question of the islands' political sovereignty, but meanwhile appreciably lower the zone's border and customs barriers, thereby opening the way for broad business, humanitarian, tourist, and other exchanges.

It is easy to foresee that any proposals from the Soviet side diverging from Japan's maximalist claims will be greeted extremely skeptically in Tokyo. But Japan too must realize the need for a new approach to this pressing problem. Obstinacy and pressure will solve nothing nowadays.

Gorbachev Interviewed on USSR-Japan Ties

LD2903130491 Moscow TASS in English 1108 GMT 29 Mar 91

[Text] Moscow March 29 TASS—Follows President Mikhail Gorbachev's replies to questions submitted by KYODO TSUSHIN at a meeting in the Kremlin on March 27:

Question: What is your view of recent changes in the West's attitude toward the Soviet Union? And on the prospects for bilateral relations and a settlement of the northern territories dispute during your upcoming trip to Japan?

Answer: To say that the world as a whole has been changing in recent years would be more precise. The cold war has become a thing of the past. A fundamentally new international order is in the process of taking shape.

It is founded on the Soviet Union's agreements with the United States and various Western European countries, the Paris Charter for a new Europe, and known agreements on disarmament. There are also new trends in the Asia-Pacific region.

The effect of such changes has also appeared in Soviet-Japanese ties. The state of relations between the two major powers within the context of the international process will largely determine the shape of the world community, not just the Asia-Pacific region, as they enter the 21st century.

During my visit to Japan, I expect thorough and frank discussions on all matters that must be resolved. These

include bilateral Soviet-Japanese relations, problems of world politics and economics, and regional conflicts.

More than 15 agreements and other documents are being prepared for signing.

Work on the draft of a peace treaty is also in progress. Agreement has already been reached on a number of key points. Namely, that the treaty must bring a final postwar settlement between the Soviet Union and Japan, that it must harm no one's security, and that it should shape the long-term prospects for the development of Soviet-Japanese ties on a friendly basis.

We have not come to agreement on all approaches. But the process of joint analysis and consideration of the mutual circumstances must continue.

I am convinced that what is the most important thing to the Soviet Union and Japan now is to establish a new relationship, one that is based on profound trust and mutually beneficial cooperation.

It will then be easier to find solutions to problems, no matter how daunting they may seem now. I hope that the Soviet-Japan summit will become a watershed in building a new Soviet-Japan relationship.

Question: What are your views on economic cooperation between Japan and the Soviet Union. What concrete form of cooperation is desirable on the part of Japan?

Answer: There are not a few achievements in the economic relationship between the Soviet Union and Japan. Suffice it to mention the joint projects to develop natural resources in Siberia and the Far East, the Vostochniy port (in Nakhodka), and large-scale industrial plants.

However, taken as a whole, the volume of our economic relations is not sufficient in terms of the possibilities and needs of our two countries.

Actually, economic cooperation between the Soviet Union and Japan can bear fruit in a variety of fields.

The Persian Gulf crisis has made us realize that it is necessary to acquire energy supplies from a number of reliable sources. Therefore, I think it is important to reopen negotiations on joint development of oil and gas fields on Sakhalin.

Other areas of cooperation which should be taken up are preventing and dealing with the effect of natural calamities and environmental disasters, space exploration, basic sciences and the development of new machinery, materials and technology.

Also, the conversion of military industries to civilian use holds great possibilities. We on our part have removed many restrictions by our "domestic Cocom". If our countries make reciprocal moves in this field, it would be extremely productive.

We favor exchanges of experience in economic reform and personnel training in business management and market economics.

The Soviet Union and Japan could also become partners in establishing a subregional cooperation zone in the area of the Sea of Japan. The economies of the countries on its shores are mutually complementary. By pooling their efforts all participating nations can bring economic benefits to themselves.

The Soviet Union and Japan together account for at least 20 percent of the world's industrial output and a sizable share of its science and technology potential. It goes without saying how much the Soviet Union and Japan can contribute to economic progress in the world if cooperation between our two countries can reach a new level.

Question: What are your impressions of Japan's history and culture?

Answer: The Japanese people have made such a tangible contribution to civilization that interest in their history and culture keeps on growing throughout the world.

Cultural and spiritual ties between our peoples have many bright pages. It is an enduring tradition that is probably 150 years old.

Interest in Japan and its history is especially great today. Many studies have been published in the Soviet Union dealing with various aspects of the life of Japanese people, and works by major Japanese writers and poets have been translated into Russian.

The attitude the Japanese people take toward their own history and culture deserves our respect. Herein lies one of the secrets of the great Japanese success in the field of the economy, science and technology. Preserving historical and cultural traditions is augmented by a legacy of moral principles that are handed with care from one generation to another.

The beautiful samples of diverse, unique Japanese culture and art that are familiar to me are simply delightful. I am looking forward to the opportunity of making a firsthand acquaintance with both ancient and modern Japanese culture during my visit to Japan.

Question: The Gulf war has shaken the world. What do you think should be done to normalise the international situation?

Answer: You are right, the Persian Gulf crisis was a major test. A blow was dealt at sovereign Kuwait. A challenge was also thrown at the entire international community just as it was taking the first steps toward a new world order.

In a broad sense, the Iraq-Kuwait conflict posed the following question: Do the international community and its representative organ, the United Nations, have

enough determination and cohesion to enforce the principles laid down in the United Nations Charter?

I think the world community as a whole has passed this difficult test honourably. A precedent has been created which may not yet be perfect in every aspect but gives grounds for hoping that the new principles in world politics will continue to gain ground.

The end of the Gulf war, however, was merely the first step in resolving the crisis. An uphill path to a settlement still lies ahead. The United Nations still needs to play the primary role in these efforts.

And of course economic rehabilitation and a reliable regional security system based on reasonable demilitarization, the renunciation of weapons of mass destruction, and balanced interests cannot be achieved without overcoming the Arab-Israeli confrontation and securing a fair solution to the Palestinian problem.

I would like to emphasize here one idea that I have expressed many times before and which the Gulf crisis has made so vivid again.

With the modern world being increasingly interconnected and interdependent, it is impossible to achieve calm and prosperity in just some parts of the world.

Europe, the Middle East and Near East, Southeast Asia, the whole Asia-Pacific region, and North and South America must establish a single security system that encompasses all continents.

It is good that the Soviet Union and Japan held close positions and consulted each other on the Gulf war.

The exchange of views on Middle Eastern problems with a view to achieving an enduring settlement will be continued during my visit to Japan.

Question: There were more than 600,000 Japanese POWs in the USSR after the Second World War, of which some 60,000 never returned. Can you explain how the problem of relatives visiting the graves of their kin and other related problems will be solved?

Answer: War is the biggest tragedy. Lives are lost. Unspeakable wounds remain for many years in the hearts of those who survived.

We cannot remake or rewrite the history of relations between our two nations. Unfortunately, there are not a few sad pages in it. In the first 45 years of this century there were at least five wars or armed clashes.

Many people who were killed or died while taken prisoner were buried far away from their motherland—our soldiers in Japan and Japanese soldiers in the Soviet Union.

I know that the Japanese are taking good care of the graves of Russian soldiers who died from injuries or diseases after they were captured during the 1904-1905 war.

For our part we are ready to take all measures to settle the problem of former Japanese prisoners of war and their burial grounds.

The Japanese people have been granted the possibility to visit the graves of their kin in the Soviet Union, including those buried on Sakhalin and the Kurile islands. Procedures for getting respective permission have been simplified.

Intensive work is under way in the archives to elucidate the fates of POWs, to locate sites where burials were not preserved. Public organisations and individuals have been drawn into this work.

During my visit to Japan I will have a list of (Japanese) prisoners of war who died and were buried in our country. There are plans to sign a special agreement on all these matters.

A lot has yet to be done. But one can now be certain that a worthy respect to the feelings of people who suffered in the war will be shown.

Question: What is your view about developing the economic and cultural potential between Japan and the Soviet Far East and interpersonal contacts to expand Soviet ties with Japan?

Answer: The (Soviet) Far East is, naturally, seeking close ties with Japan. This region leads the way in the Soviet Union in setting up sister-city ties with Japan.

The people living in the border areas of the two nations are showing an increasing desire to communicate and live like good neighbours.

The names of Konstantin Skoropyshniy and other Soviet children whose lives were saved by Japanese doctors have become symbols of friendship between the residents in the (Soviet) Far East and Hokkaido.

With the growth of mutual goodwill the development of abundant natural resources in the Far East should benefit both sides.

It is natural that there is mutual interest in rational utilization, protection, and reproduction of abundant fishery and other aquatic resources in the region.

The growing boom in tourism stimulates cooperation in developing relevant facilities in the Far East. There is also great potential in scientific and cultural exchanges. We are thinking of turning the region into a center of modern science, education, and culture. The idea of setting up a Soviet-Japanese university in the (Soviet) Far East is worth supporting.

The interest in mutual exchanges and cooperation raises the question of opening new consulates, setting up an efficient telecommunications system, and opening new air and shipping routes between cities in the Soviet Far East and in western and northern regions of Japan. These issues are being discussed already.

The potential to create really strong and mutually beneficial relations between the Soviet Far East and Japan is great. As it grows, it will definitely contribute toward the development of overall Soviet-Japanese relations and help strengthen the trust and mutual understanding of the great peoples of the two countries.

Gorbachev Asnwers Japanese Children's Letter

LD0204222491 Moscow TASS in English 2017 GMT 2 Apr 91

[By TASS correspondents Dmitry Bandura and Aleksandr Kopnov]

[Text] Tokyo April 2 TASS— "I hope that you and your Soviet peers will be the first builders of a bridge of friendship, accord and cooperation between the two great neighbours, the Soviet Union and Japan," reads a message by President Mikhail Gorbachev handed over at the Soviet Embassy to Japan.

The message is Gorbachev's reply to Japanese students, who participated in a contest for the best letter to the Soviet president, organised by the SHIOGAKU ROKUNENSEI magazine last autumn. Over 250 Japanese schoolchildren took part in the contest.

"Together, we can build a world, where good, justice and human solidarity will triumph. We should spare no effort to reach this goal. I am glad that Soviet and Japanese children meet more often now and want to know about each other," the message reads.

Japanese painter Seizo Noda visited the Soviet Embassy today to present his painting as a gift to the Soviet president. The 72- year-old artist has standing ties with the Soviet Union. His personal exhibitions were held in Moscow and Leningrad in 1983 and 1987.

Presenting his canvas, the painter said he hoped that President Gorbachev's forthcoming visit to Japan will promote mutual understanding between peoples of the two countries.

Shevardnadze Comments on Domestic Issues, Japan

OW3003010591 Tokyo KYODO in English 0053 GMT 30 Mar 91

[Text] Moscow, March 30 KYODO—Former Soviet Foreign Minister Eduard Shevardnadze warned Saturday that anarchy and chaos may engulf the Soviet Union unless President Mikhail Gorbachev and his political rival Boris Yeltsin settle their differences.

Shevardnadze also said in an interview with KYODO news service that the threat of dictatorship which he warned of as he resigned his post last December has not diminished.

"Maybe it is getting stronger with the deterioration of political, social, economic and ethnic problems," he told KYODO President Shinji Sakai.

The interview took place at Shevardnadze's Soviet Foreign Policy Association, a private think tank he formed after he left office.

Shevardnadze said both Gorbachev and Yeltsin are aware of the severity of the problems and ethnic strife besetting the country.

"What they need is the political will" to solve them, he said.

Shevardnadze issued a call for a "constructive dialogue" between the two political rivals a day after Yeltsin proposed a round-table conference among all political forces in the Soviet Union to pull the nation out of "an abyss."

Gorbachev and Yeltsin have been embroiled in a political duel, with pro-Yeltsin forces calling on Gorbachev to resign and communist hardliners maneuvering to oust Yeltsin from office.

Shevardnadze said a continued stand-off between Gorbachev and Yeltsin will paralyze the nation.

"In the end we cannot rule out something like anarchy or chaos," he said.

He said political instability in the Soviet Union will affect its diplomacy. "An unstable Soviet Union will become a major threat to Europe and Asia," he said.

Shevardnadze, however, said he had high expectations that Gorbachev's visit to Japan April 16-19 will improve relations between the Soviet Union and Japan.

He said that although the two countries may not resolve all their disputes at once "there is no need to dramatize it."

Shevardnadze ruled out an easy settlement of the territorial dispute between the two countries, saying that although the Japanese regard the four disputed islands off Hokkaido as their own, the Soviets consider them theirs.

"Gorbachev cannot ignore this, and neither does he have the right to," he said. "After all, he can't stay in Japan forever. He has to return home."

Shevardnadze said his resignation served its purpose in rallying the democratic forces in the country. "This itself is very encouraging," he said.

Southeast Asia & Pacific

Gorbachev Congratulates Laos' Kaysone Phomvihan

LD2903172891 Moscow TASS in English 1705 GMT 29 Mar 91

[Text] Moscow March 29 TASS—Soviet Communist Party General Secretary Mikhail Gorbachev sent a congratulatory telegram to Chairman of the Lao People's Revolutionary Party Kaysone Phomvihan.

Follows the text of the telegram:

Dear Comrade Kaysone Phomvihan

I cordially congratulate you on the election to the post of the chairman of the Lao People's Revolutionary Party.

I wish you, Comrade Kaysone Phomvihan and all Party members success in implementing decisions of the fifth congress of the Lao People's Revolutionary Party. I am sure that friendship and cooperation between the Soviet Communist Party and the Lao People's Revolutionary Party and between the Soviet and Laotian peoples will continue to strengthen and develop.

Burokevicius Attends Lao Party Congress

PM2703144191 Moscow PRAVDA in Russian 26 Mar 91 Second Edition p 5

[TASS report: "Departure of Delegation]

[Text] A CPSU delegation headed by M.M. Burokevicius, member of the CPSU Central Committee Politburo and first secretary of the Lithuanian Communist Party, left Moscow for Vientiane 25 March to take part in the work of the Fifth Lao People's Revolutionary Party [LPRP] Congress at the LPRP Central Committee's invitation.

Near East & South Asia

TASS Analyst Views Arab-Israeli Settlement

LD0104134291 Moscow TASS in English 1318 GMT 1 Apr 91

[By TASS international analyst Yuriy Tyssovskiy]

[Text] Moscow April 1 TASS—According to initial reports, Israeli Prime Minister Yitzhak Shamir has received a new offer from the U.S. Administration on an Arab-Israeli settlement.

The proposal, according to leaks, envisages joint Jordanian-Israeli rule over the West Bank and the Gaza Strip. This is intended as a first step towards stabilising the situation in the region and settling the Palestinian problem.

At first glance, the American initiative bears some constructive traits, but only on the condition that the "joint government" is exclusively temporary, and governing a genuine transition period during the settlement.

To this end one element is necessary—agreement by all parties involved in the conflict, no strings attached. The analysis of their positions, however, casts doubt over the possibility of their accepting the new U.S. offer.

King Hussein of Jordan has always said that Amman does not intend to replace the Palestine Liberation Organisation as the sole legitimate representative of the Palestinian people.

He insists that Israel recognise the sovereignty of Palestinians on their lands. The king supports resolving the Palestine-Israeli and Arab-Israeli contradictions within an international peace conference on the Middle East and on the basis of U.N. resolutions.

PLO leader Yasir 'Arafat believes the shortest way to resolving the Palestinian problem lies in a peace conference under the aegis of the United Nations, stressing that he is ready for a "direct dialogue" with Israel. 'Arafat said the latest U.S. offer was a new Camp David and refused to accept it.

Israel maintains its tough stand. Shamir in his recent statements reiterated a blunt refusal to hold talks with the PLO, although he is prepared to discuss disputed problems with "Palestinians who have no relation to the PLO".

The Israeli prime minister is not disturbed by the fact that there are very few of these, as U.S. Secretary of State James Baker found out during his recent visit to Israel. Shamir also rejected exchanging "peace for land", which he said would amount to a principled concession.

Realistic prerequisites for the resolution of the decades long conflict envisage political courage to make principled concessions. This concerns all parties in the conflict. Otherwise, efforts by the international community, including by the United States, to settle current differences will be in vain, as will be the dream of nations in the region for a peaceful and secure Middle East.

Political and state leaders in Washington, Tel Aviv, Amman, Tunis and other world capitals, who could contribute to normalising the situation in the Palestine, should think about the need to make these concessions.

PLO's Abu-Sharif Explains Settlement Terms

PM0304085091 Moscow IZVESTIYA in Russian 28 Mar 91 Union Edition p 4

[IAN correspondent I. Menshikov report: "PLO: A Trial Balloon or a Change of Policy?"]

[Text] Tunis—For more than two weeks now continuous conferences and consultations have been going on behind the tightly closed doors of the PLO headquarters located here. The discussions concern the fundamental question of the organization's strategy in the new situation arising after the Gulf war.

Informed Palestinian sources say that the PLO leadership is actively discussing plans to create a government in exile. Such a decision could in fact mean removing the upper ranks of the PLO leadership from direct participation in the process of talks on the Palestinian problem. It could be in the name of this government, which will be made up of new people, including some from the occupied territories, that it is planned to announce to the world a new Palestinian peace initiative.

Certain details emerged from speeches by Bassam Abu-Sharif, advisor to Palestinian leader Y. 'Arafat.

"Strictly speaking, the proposals I have presented cannot yet be considered the PLO's official viewpoint," B. Abu-Sharif said in talks with me. "Detailed proposals on this score have been prepared and sent to the president and await his decision."

Abu-Sharif is known in political circles as the master of the "trial balloon" and the sounding out of opinions in advance. His rise is linked with an article published three years ago in THE WASHINGTON POST in which he actually anticipated the Palestinian peace initiative expounded later by Y. 'Arafat in front of a UN General Assembly session in Geneva.

A recent interview with the British Sky News television company in which Abu-Sharif declared his support for the continued search for compromise with Israel came as a bombshell in Tunis. Official rebuttals on behalf of the PLO followed, and word of Abu-Sharif's imminent resignation was leaked to the press. It looked as if Y. 'Arafat had decided once again to use the well-known combined play in which his advisor had to take the critical fire from various flanks of the Palestinian movement.

"The rumors of my resignation have no real foundation," Bassam Abu-Sharif told me. "All this conjecture stems from those forces within the Palestinian movement which have long been trying to get rid of me. I have not raised this question in any form, consequently the leadership has not discussed it."

Journalists have added fuel to the fire by interpreting a number of the Palestinian spokesman's utterances not quite correctly. I actually did talk about the possibility of creating a demilitarized state on Palestinian lands currently occupied by Israel, although only for a limited, transitional period when UN "blue helmet" contingents would be stationed there, B. Abu-Sharif explained. I would like to hope that ultimately the Near East will be able to rid itself of all types of weapons; of course, the Palestinian state is bound to be one of the most active supporters of such a solution.

"As for further territorial concessions to Israel in respect of the borders defined by the UN Security Council are concerned, this is also clearly another example of journalists stretching the truth," Abu-Sharif continued. "I was only talking about the possibility of exchanging some sections of the occupied Palestinian lands of particular interest to Israel for Israeli territory of equal value, necessary to the Palestinian state to create a "corridor" connecting the West Bank with the Gaza sector."

I was intending to stop there when the following information came over the fax from B. Abu-Sharif's office.

"In an interview with the Canadian newspaper TORONTO STAR, Y. 'Arafat has for the first time put forward detailed proposals for opening a dialogue with Israel:

The Palestinian state will be wholly demilitarized for a period of up to 6 months, during which time UN forces will replace Israeli occupying forces there;

The question of a "corridor" between the West bank and the Gaza sector will be subject to discussion;

Jews who exchange Israeli for Palestinian citizenship may be included in the government of the Palestinian state;

East Jerusalem must be part of the Palestinian state in line with UN resolutions;

Israeli settlers must leave the occupied territories in line with UN resolutions;

As soon as an independent Palestinian state is created, Jordanians and Palestinians will be able to express their wishes freely in a referendum on the question of creating a confederated state.

So the situation really is repeating itself, and it merely remains to follow events and see if the combined play tried earlier will bring success.

Foreign Ministry Receives PLO Official

LD0204223291 Moscow TASS in English 1956 GMT 2 Apr 91

[Text] Moscow April 2 TASS—Soviet Deputy Foreign Minister Vladimir Petrovskiy today met adviser to chairman of the Palestine Liberation Organisation executive committee Z. Terzi.

They discussed a post-crisis settlement in the Gulf. They noted that it is necessary to move ahead to a Middle East settlement, resolve the Palestinian problem and the Arab-Israeli conflict as a whole.

Moscow Terms Khowst's Fall 'Victory' for Mujahidin

TA0204184691 Moscow in Dari to Afghanistan 1500 GMT 2 Apr 91

[Sergey Viktorov commentary]

[Text] News agencies report that the final resistance by units of the government garrison in Khowst collapsed yesterday. According to a statement by the Afghan opposition, the town is now under the complete control of mujahidin groups. More than 2,000 government soldiers and officers were captured, and weapons and ammunition, including tanks and helicopters have fallen into the hands of the opposition. The provisional government's news agency reported that new administrative bodies are being formed in this town. Moscow Radio commentator Sergey Viktorov writes on this:

Khowst has fallen. It seems that the defending forces fought until the end, but lack of communication and the mujahidin's pressure was stronger. Perhaps the reasons for the fall of Khowst will become a topic of discussion by experts and historians. At first glance, however, it can be said that Khowst had always been vulnerable to attacks by the opposition [words indistinct]. It is obvious that occupation of the airfield by the mujahidin was fatal for the defenders. The besieged garrison could not resist successfully without provisions.

Undoubtedly Khowst's occupation by the mujahidin is a victory for them, but it can best be described as a political and propaganda victory, not a strategic victory. Khowst is situated very far from the (?capital) and other strategic centers [words indistinct]. For this reason, Khowst's occupation cannot be called a turning point in the mujahidin's (?struggle). The mujahidin will try to exploit this event as much as possible for their political benefit to increase their prestige. It is common knowledge that their prestige had decreased both among Afghans and in the international arena. They will now undoubtedly try to obtain fresh assistance from abroad in view of their military victory around Khowst; however, it is not clear whether in the aftermath of the Gulf war, which has cost the United States and Saudi Arabia a great deal, these countries will provide much aid. Apparently, one should expect the mujahidin to launch widespread propaganda in the West [words indistinct].

The (?occupation of Khowst) has harmed another process, namely a peaceful solution of the Afghan problem. The mujahidin leaders, who have become excited with this military victory, will hardly talk with Kabul about any sort of reconciliation. Naturally, this is connected with the international efforts to resolve the Afghan problem. Khowst's occupation, however, is still not a mujahidin overall victory. Consequently, one should expect the civil war in Afghanistan to be more bloody and fierce.

TASS Analyst Views Fall

LD0204171591 Moscow TASS in English 1558 GMT 2 Apr 91

[By TASS political news analyst Yuriy Tyssovskiy]

[Text] Moscow April 2 TASS—The dramatic turn of events in Afghanistan linked with the fall of Khowst, which was beseiged by armed opposition groups over 12 years, is projected by someone almost as a key victory by rebels. It is alleged that this victory will upset the balance of forces in Afghanistan in favour of the "transition government" in Peshawar.

Even Western observers admit that this city, which is located a mere 30 kilometers from the border with Pakistan, is not of any particular strategic importance. At the same time, one cannot fail to agree that the transition of Khowst under the control of the opposition can be regarded to some extent as its psychological success. To be more precise, a success of the Pakistani military, which propped up the armed detachments of its Afghan clients with everything possible to the point of direct interference in the affairs of the neighbouring country.

The developments in Khowst are one more piece of evidence of the violation by Islamabad of the Geneva agreements, although in Islamabad they continue to deny their involvement in the subversive activity. They do so even despite the obvious fact that exactly Pakistani territory was the springboard for the offensive on the beseiged city.

One of the provisions of the Geneva agreements reads that the sides undertake not to allow the training, equipping, financing and recruiting of mercenaries of any descent on its territory.

Nobody doubts that this is what the Pakistani authorities are engaged in. Moreover, U.S. Ambassador to Islamabad Robert Oakley and U.S. envoy to the opposition Peter Tomsen arrived in Peshawar late in March and showed interest in reports from Khowst.

On Monday, Afghan President Najibullah asked the following question: "Did the moment not really come for the United Nations, under the auspices of which the Geneva agreements were concluded, the U.S. and the USSR, who acted as the guarantors of these agreements, to take vigorous actions to remove the danger of the outbreak of a regional conflict?"

U.N. Secretary-General Javier Perez de Cuellar called upon all Afghans once again to put national interests above all of the rest interests [as received] and settle the existing disagreements within the framework of the political process.

One cannot fail to recognise that exactly this way was and remains the most sensible for the advancement towards settling the conflict that has torn the country for many years. Kabul expressed its agreement with this approach long ago. Peshawar and Islamabad reject it outright.

The seizure of Khowst damages prospects for peace in Afghanistan. Opposition leaders tend to perceive it as a confirmation of their ability to seize military initiative, which will bolster still more their irresponsiveness to a political settlement of the Afghan problem. The same applies to Washington.

U.S. Under Secretary Robert Kimmit already visualised in the developments in Khowst a pretext for replacing the Afghan leadership in Kabul. He said that the U.S. would continue to provide aid to the opposition.

This non-constructive approach threatens to increase bloodshed in the war-torn country. Therefore, Perez de Cuellar's call on the international community to step up efforts to achieve political settlement is as urgent as never before.

Sub-Saharan Africa

Pretoria-ANC Differences on Detainees Viewed

MB2903112591 Moscow in Afrikaans to Southern Africa 1830 GMT 28 Mar 91

[Aleksandr Fedorov commentary]

[Text] South African State President F.W. De Klerk issued a decree last Friday [22 March] announcing that an unconditional indemnity will be granted to a certain group of people. The following Wednesday the African National Congress [ANC] published a statement concerning political prisoners still being held in detention. In the statement the government is accused of a premeditated withdrawal from the process of freeing antiapartheid supporters. Here are the views of Aleksandr Fedorov:

The issue of indemnity has always been associated with extreme emotions. Now the gap has widened and the various parties are speaking past each other rather than listening to one another in their efforts to prove themselves correct. South African Justice Minister Mr. Kobie Coetsee is attempting to prove that his department is working quickly. In December, 3,000 requests for indemnity from prosecution were granted. According to the minister this is an indication of the government's willingness to honor by 30 April the agreement reached with the ANC.

A statement from the ANC notes that the government is attempting to conceal the exact number of political prisoners from the world. The ANC alleges that many political prisoners on this list are being treated as common criminals and are also being held with them. This problem must naturally be solved.

These accusations from various parties can threaten the entire negotiation process. One can understand both points of view. The ANC, unlike any other organization in South Africa, has suffered exceptional losses. One can obviously not be happy with the type of compassion displayed by the authorities from time to time. According to UN figures only 400 of South Africa's 3,260 political prisoners have been released. It is not coincidental that the state president's latest announcement also includes members of the far-right Orde Boerevolk [Order of the Boer People] faction.

The question of political prisoners is not the only one demanding an immediate solution. According to reliable estimates more than 20,000 political exiles are living just outside their country's borders. The first group that returned from Zambia recently was not exactly received enthusiastically. One hundred and ten of these exiles do not have work or accommodations. The others have obviously heard unfavorable reports because only 1,500 exiles have applied for repatriation. As far as the fast-approaching 30 April deadline is concerned, this issue is also important. With reference to this it is unclear whether the agreement also includes the return of exiles before 30 April. The South African minister of justice answers this question in the negative.

In my opinion, economic problems are responsible for hindering the chances of finding an easy solution to the problem. In South Africa there are more than 5 million unemployed people, and according to South African economist Ronald Bethlehem, the issue is threatening to develop into a social explosion. It is difficult to now predict what trend future developments in South Africa will take. If the government works from its own list of political prisoners then this will have serious consequences because the government can claim to have freed all political prisoners before 30 April. The ANC rejects this because it possesses its own figures on the number of political prisoners being held.

The ANC will naturally insist on using its own figures because one should not play political games with the future of your countrymen and your duty towards the organization and your people. The extension of the deadline and other concessions might also provoke a storm of protest from the far right and the far left, who both accuse the ANC of not wanting other political parties to assist in drawing up a constitution for a new South Africa.

If one remembers that there is very little time until 30 April then one can only hope for realism and an understanding of the difficulty of the situation, the type of realism displayed by both the government and the representatives of the black community.

TASS Interviews South Africa Foreign Minister

LD2603102791 Moscow TASS in English 0946 GMT 26 Mar 91

[By TASS special correspondents Yuriy Pichugin and Vitaliy Chukseyev]

[Text] Capetown March 26 TASS—"The basis now exists between the Soviet Union and South Africa on which to build a more realistic and friendly relations, and not only in the field of trade and commerce but also in the field of cultural exchange," South African Foreign Minister Roelof Botha said in an interview to TASS. "We in South Africa are keenly interested in Russian culture, music, ballet, poetry and we have a deep appreciation for its contribution to the world heritage."

"The decision to establish interest offices of the USSR and the RSA at the Austrian Embassies in Moscow and Pretoria opens a channel of direct communication for a more comprehensive two-way information," Botha said.

"I am not aware of any obstacles and factors at this stage which could inhibit the further improvement in this direction," he said.

The minister believes it became possible as a result of the Soviet withdrawal from regional conflicts and its constructive role together with the United States of America

in solving the problem of the Namibian independence, as well as the time schedule for Cuban troops withdrawal from Angola.

"I believe on the Soviet side there was a positive reaction to the South African Government's efforts in this respect and President De Klerk's initiatives on dismantling of apartheid and negotiating a new constitution in which race and colour will have no place," Botha said.

Regarding the Gulf situation and factors promoting the settlement of the conflict, Botha said: "The U.N. decisions were a unanimous action, and from a global view, to a large extent there was a parallel with Korea. In both cases two superpowers were involved. But there is one major difference. In Korea they were on the opposite sides of the roadblock. In the Persian Gulf crisis for the first time since the Second World War there was not a superpower on the other side, and mainly due to their combined efforts the conflict in this vital part of the world was resolved."

Botha was also asked if the Gulf war could have been avoided, in view of the fact that the Soviet Union and a number of other countries were developing political and diplomatic ways. "Of course, a peaceful solution is always preferable to a military intervention. There was a fatal mistake in the assessment of the situation in the region with unpredictable consequences. We may witness a new stage in a prolonged conflict and a new power struggle in the Middle East with the Arab-Israel issue still unresolved. What is important, the Soviet Union fully complies and followed the U.N. resolutions, condemning the Iraqi invasion as aggression."

Problems of the political situation in South Africa came up for discussion during the interview. "Recently, the response of the world in general has been more receptive to the positive changes of President De Klerk," Botha said. "The European Community has already announced the lifting of investment sanctions and indicates that it will remove the other restrictions against South Africa when our parliament passes De Klerk's programme of eliminating the last 'cornerstones of apartheid'—the land acts, the group areas acts and the population registration act. From President Bush has come encouraging positive response. The Soviet Government, even though not as complimentary as the Western countries, also responded positively."

Botha touched upon the process of broad changes taking place in the Soviet Union. "We have a deep understanding of the difficulties faced by Mr. Gorbachev and this is where we have sympathy with him. 'Perestroyka and glasnost' brought the East and West closer together. The Western countries appreciated Mr. Gorbachev and stood by him in an effort to help him to succeed," Botha said.

1st Soviet Liner in 40 Years Visits Cape Town

PM2403150791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Mar 91 p 3

[TASS report under the general heading: "In a Few Lines"]

[Text] A Soviet passenger liner recently put into the port of Cape Town for the first time in 40 years. The captain of the motor ship Azerbaydzhan allowed passengers and crew members to disembark onto the South African shore, while curious local residents were able to come on board.

East Europe

Statement on Asylum for 'Persecuted' Europeans

PM0104134391 Moscow PRAVDA in Russian 29 Mar 91 Second Edition p 4

[Statement by USSR Foreign Ministry Representative; place and date not given]

[Text] Attempts have recently been made in certain Eastern European countries as well as on the territory of the former GDR to prosecute or discriminate against former statesmen, politicians, public figures, or simply people who are or were members of the parties until recently in power or who hold convictions out of step with the current official line.

The organizers of this campaign, manipulating public awareness and exploiting the misdemeanors of certain former leaders for their own ends, are striving to put thousands of party and state apparatus workers, party activists, servicemen, law-enforcement service staffers, and scientific and cultural figures on a kind of sociopolitical trial. Demands are being made to declare whole political parties and social organizations illegal, and calls are being voiced for their members to be ineligible for state service.

It is clear to any unprejudiced person that, in this case, we are talking about reprisals of an extreme and illegal form being taken against those with different views.

This campaign prompts a legitimate protest from the Soviet public and a sense of solidarity with people who have become the targets of overt political vengeance.

In the event of those being persecuted in neighboring countries requesting political asylum, such requests would be examined on an individual basis in accordance with Soviet laws.

E. Europe Efforts To Join NATO Cause Surprise

PM2803144391 Moscow KRASNAYA ZVEZDA in Russian 27 Mar 91 First Edition p 5

[Lieutenant Colonel L. Klyusa: "Halfway Point Still Ahead"]

[Text] Recently even casual observers cannot fail to have noticed the active process by which a new foreign policy strategy and military policy is being elaborated in the East European countries. Furthermore, this is natural and entirely explicable. On the one hand, the ending of the Warsaw Pact military organization has had an effect. On the other hand, there is the assertion of a new political situation on the continent registered in the "Paris Charter for a New Europe."

The range of this quest is very wide. There are the options of complete neutrality, bilateral and multilateral treaties, and even a desire to join NATO. Quite honestly, the latter trend causes a certain amount of surprise and even confusion. Nonetheless, certain circles in Hungary, Bulgaria, Romania, and Czechoslovakia have been calling NATO virtually the only "guarantor of peace in Europe" and expressing a desire to join that organization.

Clearly, the military leanings toward the West evinced by certain Eastern European countries are aimed at quite definite targets. Thus, for instance, Romanian Foreign Minister A. Nastase has claimed that the possibility of obtaining an "economic basis" for relations with the West depends on proximity to NATO, although it would be more understandable if these quests were conducted within the EEC. People are probably calculating that military devotion will sound more convincing.

What ideas were guiding NATO Secretary General M. Woerner when, in response to Romania's request to join NATO, he stated that "a decision acceptable to both sides will be found"? Every sober-minded person thinking about the need to create all-European security is entitled to ask this question. After all, the disbandment of the Warsaw Pact military organization is making people take a fundamentally different look at NATO—the only military alliance left in Europe. As the joint declaration signed by the leaders of 22 states in Paris last year admitted, the time has come to define the conditions and measures for safeguarding security in Europe outside of the framework of military blocs, whereby the security of each state is seen as part and parcel of all-European security.

It is quite obvious that NATO membership, even associate membership, by states with shared borders with the Soviet Union cannot fail to affect Soviet defense policy. It is not hard to assume that this will also lead to quite a major revision of the entire European security system that currently exists. And this should be taken into account by those NATO leaders who are inclined to hand out promissory notes [razdacha vekseley] and favor increasing the number of NATO members.

Of course, the elaboration of a political strategy and the choice of allies is a domestic matter for each state. One imagines, however, that in military-political terms the Eastern European countries should have a stabilizing role and promote the abolition rather than the development of the bloc orientation in the West's military policy. Ultimately, with the disbandment of the Warsaw Pact's military structure, we are only halfway to the secure Europe of the future, halfway from East to West....

Romanian Salvation Front Statement Criticized

PM0204102191 Moscow PRAVDA in Russian 27 Mar 91 Second Edition p 4

[Article by V. Rusnak under the rubric: "Rejoinder": "Assessment... for Referendum"]

[Text] The second conference of the National Salvation Front has gathered in Bucharest in difficult days for Romania. After the fall of Ceausescu's regime it acted as a public movement. Now there is talk of proclaiming the National Salvation Front as a new political party of social-democratic orientation.

We can understand our Romanian neighbors' anxieties and concerns. Despite our complex domestic problems we came to the aid of the government headed by National Salvation Front representatives in the difficult weeks and months of late 1989 and early 1990. Thanks to this aid the lights were not extinguished in Romanian homes and the majority of enterprises continued to operate.

The new party's first step was marked by a political statement, the "declaration on the organization of the 17 March 1991 referendum in the Republic of Moldova." This document cannot fail to cause surprise. Let us leave aside its style and tone, which have nothing in common with the principles of mutual respect. The point is that it makes an attempt to arrogate the right to interfere in the USSR's internal affairs and to "give marks" for the decisions of the Soviet state's supreme organs of power. That is where it starts to be unacceptable.

We will probably deal with our affairs without foreign well-wishers. The referendum which took place, as is well known, confirmed the resolve of the majority of citizens to continue the policy of perestroyka. Those citizens of Moldova who, despite all the obstacles, were able to take part in the nationwide vote, were united with the majority of the country's population.

...In Romania there is a wise saying: "Friends come and go, but neighbors come from God." History has determined that we should live next to each other. What this life will be like depends on both sides.

Poland's Rakowski Meets With Soviet Leaders

PM2803154991 Moscow PRAVDA in Russian 26 Mar 91 Second Edition p 1

[TASS report: "Friendly Conversation"]

[Text] There was a short friendly meeting at the CPSU Central Committee 25 March between M.S. Gorbachev and M. Rakowski, the prominent Polish political and public personality, who has been visiting the Soviet Union at the invitation of the CPSU's scientific institutions. M.S. Gorbachev stressed that Soviet-Polish relations invariably occupy an important place in Soviet foreign policy. He expressed the confidence that by relying on good traditions both sides will make every effort to secure the further development of cooperation on the principles of good-neighborliness, respect for freedom of choice, and mutual benefit.

During his stay in the USSR, M. Rakowski had conversations with G.I. Yanayev, vice president of the USSR, Yu.A. Prokofyev, member of the CPSU Central Committee Politburo and first secretary of the Moscow CPSU City Committee, and V.M. Falin, secretary of the CPSU Central Committee, and delivered lectures on the situation in Eastern Europe to the party aktiv and academics in Moscow and Novosibirsk.

Supreme Soviet

2 April Session Proceedings Detailed

LD0204212391

Moscow Central Television Second Program Network in Russian at 2015 GMT on 2 April, in its scheduled "At the USSR Supreme Soviet" program, carries a report on the proceedings of the USSR Supreme Soviet in Moscow on 2 April. Lukyanov is chairing the session.

The deputies are discussing the law on enterprise. Lukyanov reads out an amendment put to the vote and adopted. The amendment states that enterprise is permitted within the limits of the USSR legislation on enterprise. The fourth article is adopted.

At 2023 GMT Deputy Yarin speaks from the hall about contracts urging that appointments and dismissals be regulated on a contractual basis, on the basis of legislation. Lukyanov clarifies the text of the draft on this point as there is some confusion among deputies. The vote on this article is carried. The presenter then adds that Articles 6, 7, and 8 were also discussed.

At 2030 GMT Lukyanov starts discussion of Article 9 on taxation. One deputy proposes that this article be excluded altogether as it causes confusion. Lukyanov stresses that the vast majority of people cannot accept that there should be no taxation of entrepreneurs because it goes against their socialist principles. Another deputy speaks from the hall and calls for distinctions to be drawn depending on the size of the enterprise in question, and for a distinction to be made between owners and entrepreneurs. Various deputies propose amendments to this article on taxation. Lukyanov finally calls for a vote on this article. It is passed.

The announcer says that the law was adopted, although there were certain disagreements. Tomorrow, the USSR Supreme Soviet is to meet in committees and commissions, he concludes. The report ends.

Bureau plans no further processing from 2 April Supreme Soviet proceedings.

Closed Session on FRG Treaties Detailed

LD0204212891 Moscow Central Television First Program Network in Russian 1800 GMT 2 Apr 91

[from the "Vremya" newscast]

[Text] Today a closed session of the USSR Supreme Soviet examined the question of ratifying the treaty between the USSR and the FRG on the conditions for the temporary stay and the scheduled withdrawal of Soviet troops from FRG territory and the agreements between the USSR and FRG Governments on some transitional measures. Tabeyev, deputy chairman of the USSR Supreme Soviet Committee for International Affairs; Kvitsinskiy, USSR deputy foreign minister; Moiseyev, chief of General Staff of USSR Armed Forces and USSR first deputy defense minister; and Katushev, USSR minister of foreign economic relations, delivered reports on this issue.

After an active and committed discussion of the reports the documents were ratified. The decision adopted on this issue stresses the need for stronger supervision by the USSR Supreme Soviet of the fulfillment of international agreements and for increasing its role in determining the country's foreign policy.

1 April Session Proceedings Detailed

LD0204211691

Moscow Central Television Second Program Network in Russian at 0022 GMT on 1 April, in its scheduled "At the USSR Supreme Soviet" program, carries a report on the proceedings of the USSR Supreme Soviet in Moscow on 1 April.

Deputy Lisitskiy speaks on the draft decision on the USSR Cabinet of Ministers. Enterprises will now have more rights, ministries less, in keeping with the process of putting an end to the old command-style economy and the process of demonopolization. He stresses the need for a law directed against monopolies. Various bodies will now be able to function independently, but the USSR State Committee for Statistics will remain within the Cabinet remit. He goes on to outline the lamentable situation in the economy. A temporary economic agreement must be worked out jointly with republics for the transition period.

Doguzhiyev emphasizes the importance of the transition period—state property fund, committee to support enterprises, and other bodies will now emerge to facilitate transition to the market. Ministries will operate as part of the structure of market relations. Republics will have to be represented in the cabinet properly.

The announcer says that, after a detailed discussion, the law on the list of ministries and other central bodies of state administration is adopted, together with deputies' amendments and supplements. The deputies also approved a decision on the procedure for introducing this legal act. 327 vote for, 28 against, 18 abstain.

At 0044 GMT Shcherbakov describes how the work on compensation payments has been completed, save for Russia, where payments are made through welfare bodies and not at work. But there is a promise to have this matter resolved in five to six days, for it is not a complex matter. The work is not complicated and most of those entitled to compensation have already received their payments. It is important that prices everywhere be the same, and this is not the case in the Baltic republics, for instance, where some food prices and payments are higher, but Godmanis and Savisaar are due here this week and we will talk about this.

Shcherbakov goes on to discuss the sources from which the compensation payments will come in the countryside. The question is understood and is being worked on: Please be patient until it has been worked out. As far as industrial enterprises are concerned, help will be provided. As far as public organizations are concerned, the situation is complex but will be looked into. As far as trade unions are concerned, we have proposals to help trade unions in funding the compensation payments. But we cannot subsidize public organizations from the government, and that includes organizations like the CPSU and the creative unions.

At 0057 GMT Chairman Lukyanov calls for questions to Shcherbakov. Shcherbakov replies to detailed questions from a deputy representing a metallurgical constituency; Lisitskiy asks about the role of the Federation Council in hammering out agreement between the republics on these issues; Shcherbakov answers another deputy about indexation; another about the position of cooperatives and their pensioners; a deputy from a cultural organization deplores the lack of government financial support—Shcherbakov explains that this is not the position of the Cabinet of Ministers; it has no money, the money comes from the republics, and they don't want to give it. If you want more money, appeal to the republics.

A deputy representing a constituency in the Far North then asks about compensation for increased transportation costs. Shcherbakov replies that this is a matter for the RSFSR, this is the prerogative of the RSFSR government. Shcherbakov then replies to a question about how agriculture will fare and explains that each republic is working out its own tactics—how to subsidize or provide help to agriculture through increased prices. The discussion continues.

A deputy then asks whether there will be goods in the shops tomorrow. Shcherbakov: This is the number one question in our minds. You know the situation—production is falling, emergency measures are needed. I cannot answer for every shop—the Ministry of Trade is taking measures.

Another deputy says in view of the fact that compensation will not be provided for creative unions, who decided that there was this difference between mental and physical labor? There is no state policy on culture. It's discrimination. Shcherbakov says there's no discrimination. All those who produce and sell goods will have their rates revised. Authors won't get compensation for the time they spend in contemplation, but when their contemplation turns into works that are sold, they will get compensation.

The announcer then briefly summarizes the remainder of the session: the adoption of the document on South Ossetia, recommending to the president that order be maintained there by troops of the USSR Ministry of Internal Affairs. The program concludes at 0116 GMT.

Political & Social

Gorbachev Compared to Presidents Carter, Reagan

PM0204154791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Mar 91 p 5

[A. Vasilyev article: "On the Question of the President's Role in History"]

[Excerpts] The Soviet Union is experiencing in the early nineties what the United States has experienced before us. In the late seventies. No, the impoverishment of the masses in the country of "triumphant capitalism" has certainly never reached our level and stores in the United States have never been empty, but there are features in common nevertheless. The Americans of the seventies and the Russians of the nineties share disillusionment in their ideals, lack of faith in the authorities' ability to change anything, and shame for their own state and themselves. Looking at the rich and powerful United States and its citizens satisfied with themselves and their country, it is hard to believe that just 15 years ago the Americans were experiencing the same psychological problems as we are experiencing today. But it is true: It really happened. Consequently, the United States' experience of 10-15 years ago will perhaps help us to understand the political and social processes taking place in the Soviet Union today. [passage omitted]

History has decided that Gorbachev should play the role which fell to the lot of Jimmy Carter in the United States. Under M.S. Gorbachev we have come to realize what a quagmire we have got ourselves into and how bad our lives are. We have also realized that we cannot go on living like this any longer.

It is a suicidal role to play. Stand in any line and you will learn from a reliable source that Gorbachev is to blame for everything. If this were the United States, he would probably not be reelected—just as Carter was not reelected. But in the United States supply has always exceeded demand, both in the stores and in politics. In addition to the incumbent president, it is always possible to find another dozen people ready and able to step into his shoes. But we have shortages in everything, both in politics and in the stores.

The time will come very soon when our people will get tired of self-reproach and will want to believe in their greatness, their talent, and themselves again. Even if their lives are not happy, they would at least like to believe that they are happy. Whoever rides the crest of this wave will be the next leader of the Soviet Union. Someone who is not burdened by the weight of the "stagnation era" or the disappointments of perestroyka will find it very easy to make policies. But does such a person exist?

In my view, the Soviet president is doing what he has to, and you could say—all this is very relative, of course—that he is trying to move away from the "Carter scenario" to the "Reagan scenario." After all, he talks about

the very same things as his U.S. counterpart: patriotism, a powerful state, and a glorious future. He has become tougher—toward striking miners, rebellious republics, and journalists "who hurl all kinds of accusations at us." He is accused of conservatism and of betraying the ideals of perestroyka and glasnost. But even Reagan was accused of virtual fascism in the past. So they have something in common.

But there are also differences. Reminding people of America's two centuries of greatness, Reagan called for a return to the principles that have made the United States a powerful country: freedom of the individual, private enterprise, and so forth. When Gorbachev talks about Russia's greatness, he is thinking of the last 70 or so years and, of course, several prerevolutionary centuries. But if his patriotism is exclusively "Soviet socialist," he will have to bestow lavish praise indeed on the model of socialism he envisages.

Lukyanov Rejects Exploitation by Press

PM0104163791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 Mar 91 p 1

[Undated "Letter to Editorial Office" from USSR Supreme Soviet Chairman A. Lukyanov]

[Text] To the KOMSOMOLSKAYA PRAVDA editorial office

Lately articles containing attempts to set the USSR president against the USSR Supreme Soviet and vice versa are appearing increasingly frequently in the press. Thereby the generally accepted norms of debate and the differences of positions that arise—which can be fully ascribed to the context of normal political life and parliamentary practice—are being utilized for profound conclusions about the Supreme Soviet's opposition to the president, the lack of understanding between Gorbachev and Lukyanov, and so on.

There have already been articles of this sort in KOMMERSANT [BUSINESSMAN], NEZAVISIMAYA GAZETA [INDEPENDENT NEWSPAPER], the magazine STOLITSA [CAPITAL], and possibly elsewhere. Now this list has also been joined by KOMSOMOLKA [KOMSOMOLSKAYA PRAVDA], which 22 March carried the article "How Can the Referendum Results Be Utilized?" and an interview with Moscow City Soviet Chairman G.Kh. Popov published 26 March.

Naturally, the president and the Supreme Soviet chairman are conversant with these items. It would have been possible not to respond to them were it not for one fact: Namely, the coordinated inflaming of passions and insertion of wedges are somehow very markedly synchronized with the deterioration of the socioeconomic and political situation in society. I would like to suggest that the readers themselves reflect on the questions of why this is being done and whose interests it serves. That is the first thing.

Second. The facts attest that, for all the critical nature of the appraisals of the USSR president's actions of one sort or another, in the most acute situations both the USSR Congress of People's Deputies and the Union parliament, soberly weighing up the situation, have invariably expressed support for the president's initiatives, proposals, and his purely human efforts aimed at extricating the country from the crisis.

This was the case during consideration of the whole range of complex problems associated with our economy's transition to market relations. This was the case during consideration at the fourth congress of the question of the USSR's future and the holding of an all-Union referendum. This was the case during discussion of presidential plans for ensuring cooperation among all forces standing for renewal and the consolidation of society. The stenographic records of the debates on these and other questions are open to all, and everyone can see for themselves who has taken what position, who has campaigned for what aims, and who has fought for the resolution of what tasks. Familiarity with these stenographic records would have saved the respected authors of the above-mentioned articles from their completely arbitrary and unfounded conclusions.

And third. I am not—and as far as I know neither is the president—bothered by the constant attention to the differences arising between us at congresses or in parliament. But when they are commented on by the authors of articles, including articles in KOMSOMOLSKAYA PRAVDA, I would strongly urge them: You should not fret so much, because this confirms only one thing—Everything is fine as regards pluralism of opinions in the USSR Supreme Soviet as well as in the country's state leadership as a whole.

I request that you publish my letter. [Signed] Respectfully,
A. Lukyanov

General Reviews MVD Troops' Emergency Role

LD0104221791 Moscow TASS International Service in Russian 1455 GMT 1 Apr 91

[Text] Moscow, 1 Apr (TASS)—The adoption a year ago of the USSR law "on the legal regime for states of emergency" was provoked by an objective need, insofar as in a rule-of-law state a condition of readiness should be maintained to act quickly and effectively in any emergency situation, whether it is an earthquake, an epidemic, a major disaster or mass disorders, said Colonel-General Yuriy Shatalin, the commander of internal forces of the USSR Ministry of Internal Affairs, in an interview with a TASS correspondent.

The law says the aim of declaring a state of emergency is to achieve the quickest possible normalization of the situation, to restore legality and law and order, Yuriy Shatalin noted. This is the point—to do it as soon as possible. But for this to be achieved it is necessary to resolve the most vexed issues in the regions, by efforts

other than those of the internal forces. The law specifies that during the period of the emergency situation the bodies of state power and administration will function. In places where they have preserved their influence, the emergency regime will be removed as soon as it becomes redundant. But experience shows that in certain situations the structures of administration and power either become paralyzed or are destroyed. There are quite a few instances of this. The most recent is in South Ossetia. In such cases, the commander of the region where there is a state of emergency assumes a number of administrative-economic functions.

In a number of cases, because of considerations of expediency, said Yuriy Shatalin, along with the internal forces, military units of the USSR Armed Forces might also be involved. There are situations when such assistance is essential. This has been demonstrated by events in the Kazakhskiy rayon of Azerbaijan and in the Osh Oblast last summer. Then, there was full cooperation, thanks to which it was possible to halt the tragic development of events. There are quite a number of similar instances.

Experience shows that in regions where there are states of emergency, there should be no illegal formations of subunits, given even the most plausible of pretexts, Yuriy Shatalin pointed out. There are only the internal forces of the USSR Ministry of Internal Affairs. You will recall the situation which was taking shape last autumn in southern Moldova. Its consequences could have been tragic, with an influx of Moldovan volunteers aiming to punish the "unruly" elements in regions densely inhabited by the Gagauz. But then, the internal troops blocked the path of the volunteers.

The internal forces should only be under Union subordination. An increasing number of people understand that the internal forces should remain united and multiethnic and should maintain their numbers and their training on an international basis. This is the stance taken by those in command of the forces, Yuriy Shatalin emphasized.

Militia Major on Problems in Keeping Order

91UN1189A Moscow RABOCHAYA TRIBUNA in Russian 28 Mar 91 p 4

[Article by RABOCHAYA TRIBUNA correspondent Oleg Tekhmenev: "A Rally on a Gunpowder Keg"]

[Text] *It is becoming more and more dangerous to walk on Moscow streets, especially at night. Foreign journalists accredited to Moscow have been saying for a long time now that Moscow is the same as Chicago in the thirties—the "gangster" years.*

Our correspondent asked Major of the Militia Vladimir Vershkov, deputy head of the public relations center of the Moscow City Soviet Executive Committee Main Administration of Internal Affairs, to comment on the situation in Moscow before the RSFSR [Russian Soviet Federated Socialist Republic] Congress of People's Deputies starts its work.

The militia cannot rest now. The crime-conducive atmosphere remains tense. You can judge for yourself: Three murders, two cases of serious bodily injuries, five robberies, 12 incidents of government property theft, 27 incidents of personal property theft (including 14 apartment break-ins), 13 incidents of car theft—all these are just part of the 25 March militia record.

1540—A young man was killed in a shoot out following an argument in a wooded area on Rostokinskiy Drive.

1635—Three men arrived at the Sklifosovskiy Institute for help; all three had wounds.

2320—On Lomonosovskiy Prospect a patrol car stopped a Zhiguli without any license plates, driven by an electrician of a Moscow hotel. On checking the car they found a sawn-off carbine and 10 cartridges for it. The case is being investigated...

The same day the militia had to investigate an anonymous message stating that a railway bridge explosion was allegedly to take place. Officials of the Pervomayskiy Rayon Administration of Internal Affairs spent two hours, from 1900 until 2100, restoring traffic which had been stopped by local residents. A people's deputy promised local residents a sale of rarely available children's goods would be organized at a "Detskiy Mir" store. But the managers of the store said they knew nothing about it...

Nowadays the militia has to do a lot more than just catch robbers, stop hoodlums, or calm down furious shoppers. One of its most complex assignments is to maintain order at various rallies. Speaking of those, we registered over 180 of them on 25 March, with 1.2 million people participating. Unfortunately, our militiamen have noticed that the rallies tend to become more and more disorderly. Take, for instance, the most recent rally of several thousand people that took place on 10 March at Manezhnaya Square, with the permission of the Moscow City Soviet Executive Committee. The militiamen had to contain thousands of participants for three hours after the rally was over as they tried to break through to Red Square.

In such situations, when we have enormous numbers of excited people hearing calls for disobedience, it is hard to make sure that no one in that crowd has and is ready to use weapons or explosives.

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We have received an appeal made by Major General N. Myrikov, deputy head of the Moscow Main Administration of Internal Affairs, to the people of our city. In this appeal he calls once again on the rally organizers and city residents to obey the government decree. N. Myrikov says that "the 26 March decree of the Cabinet of Ministers is mandatory for the Moscow internal affairs organs.

For this reason they will take every measure to prevent any events that have not been officially approved." According to the major general, the militia will behave on that day with utmost tact. However, if there are any provocations, law enforcement officials will have to act according to the law.

Interrepublic Economic Panel Meets

PM0204101191 Moscow PRAVDA in Russian 28 Mar 91 Second Edition p 2

[TASS report under "Official" rubric: "First Session"]

[Text] A working mechanism is needed to realize an urgent program. Just such a mechanism is the interrepublic commission to monitor and coordinate the activities of central and republic organs with regard to the fulfillment of the economic agreements of the USSR and the republics in respect of stabilizing the socioeconomic situation in the country, which was created at the March session of the USSR Cabinet of Ministers. Its first session was held 22 March under the chairmanship of USSR First Deputy Prime Minister V.Kh. Doguzhiyev.

PRAVDA on Pavlov Meeting With Auto Workers

PM0204130991 Moscow PRAVDA in Russian 2 Apr 91 Second Edition p 1

[TASS report: "Not To Request But To Earn"]

[Text] USSR Prime Minister V.S. Pavlov justified the choice of venue for his meeting with Moscow's working class by the fact that the head enterprise of the ZIL [Likhachev Automobile Plant] production association, like the Kirovskiy plant in Leningrad, is now deciding the fate of the country, directly influencing the pace and quality of preparation for the spring sowing. After all, approximately one-third of the automobile plant workers' output goes to the countryside.

He gave as the second reason which prompted the head of the cabinet to spend an entire working day on 1 April at the I.A. Likhachev plant the need to acquaint himself with the latest technology. Our future lies in this technology, V.S. Pavlov said in a talk with the ZIL leaders. In resolving the acute present-day problems we must in no way overlook the long term. If all we do is constantly to patch up the holes the country will be unable to scale the projected heights. After all, just switching the trucks here to diesel engines will make it possible to save an enormous quantity of the motor fuel which is in short supply.

And of course the flagship of the capital's industry is a large and authoritative collective, a kind of barometer of the feelings of working Moscow in the present complex times. The association itself also feels in full the complications of our economy. Informing the premier of current business, ZIL general director Ye. A. Brakov said that because of the shortage of some types of raw and semifinished materials and subassemblies, the volume of production is being reduced, the target for the first quarter is not being met, and things are, as he put it, "rotten" as regards profit.

Of course, it is not only a question of the shortage of rolled metal, pipes, and much else for which subcontractors from all regions of the country have fallen into arrears. There is one more problem which is now particularly acute: the shortage of manpower. Just here at the head plant there is a demand for 14,000 representatives of various specialities. In the past two years, the firm's leaders noted with alarm and bitterness, 4,000 excellent-rated specialists—truly the enterprise's gold reserve—have left the production facility.

Where have they gone? Mainly they have entered a new sector of the economy where wages are higher and labor conditions are incomparably better than at the assembly line, the foundry, or the forge shop. The average wage of a worker at the plant now is 300 rubles. Not a lot for the present times, frankly.

And nonetheless cadre worker N.S. Karasev, who has worked on automobile assembly for 40 years, does not intend to leave. "There is a way out," he told the prime minister. "The association must be ensured economic independence so that we can earn decent money without asking the state for allowances and compensations."

That coincides with the viewpoint of the ZIL economists. They also believe that, by lifting some restrictions in the distribution of profit would give them a real opportunity to rely on their own efforts. Another source of revenue is to build up the production of consumer goods. Of course, it is being held up so far by the unpreparedness of new production blocks. But I think that it would be no bad thing also to renew the range of articles which has remained the same for several years now even at the exhibition in the plant administration.

Having spent the morning talking with the leaders, V.S. Pavlov repeatedly checked his impressions by meeting with the workers of the main production facilities directly in the shops. Here one can see the unshakability of ZIL traditions and signs of serious financial difficulties.

The modernization of the giant enterprise is in full swing. It has been approximately two thirds completed. Large credits have been used, but they produce no return until the modernization has been completely finished. And so far in the first quarter the profitability of production was only eight percent. Nor can one discount the drastic increase in the cost of materials and energy resources.

Under these conditions a subject of special concern for the labor collective council and administration is the protection of workers' interests at the present stage of the price reform. Having collected together all resources literally kopek by kopek, the collective has found it possible to compensate people for the increased prices in the plant canteen. The head of government approved

that initiative. "We hope," he said, "that many enterprises will travel precisely this path."

In a number of shops the increment at the plant's expense will be 20 rubles a month and for harmful and heavy work 35-40 rubles. An appreciable amount, people are saying: Quite useful help for the family budget in hard times. This enables them to understand more deeply the reasons for the present situation and to see "the light at the end of the tunnel." In the evening at a meeting with representatives of the labor collectives the premier called the working class' understanding and wisdom the main result of the day he had spent at the ZIL. And then he frankly answered dozens of questions, each of which concerned precisely what perturbs every Soviet person today.

Shortfalls Threaten Pension Fund's Viability

LD0104214991 Moscow All-Union Radio First Program Radio-1 Network in Russian 1900 GMT 1 Apr 91

[Text] In accordance with the law on pension provisions for citizens, the USSR Pension Fund has been formed. Its funds are formed mainly by social security contributions from enterprises, establishments, organizations and from citizens' mandatory insurance contributions. The fund is obliged to guarantee financing of expenditures to pay pensions and benefits, including child benefits. In the first quarter, the fund took a credit at the USSR State Bank, in reasoning that all enterprises and organizations would register with the agencies of the Pension Fund and would start paying contributions to its account, according to the law. There are simply no other funds in the country to pay pensions and benefits.

Any further possibility for getting credit from the USSR State Bank has been virtually exhausted. But, the paying in of insurance contributions to the fund is going extremely unsatisfactorily in many regions. Serious anxiety about the future of tens of millions of pensioners and families with children, for whom pensions and benefits are the main source on which their existence depends, compels the Pension Fund to appeal on everybody's behalf to all enterprises, establishments and organizations, including collective farms and cooperatives, to fulfil their duty and to make the prescribed insurance contributions to the Pension Fund, as laid down by the law.

'Top Priority' Examines Balance of Power

LD3003104991 Moscow World Service in English 2300 GMT 29 Mar 91

["Top Priority" program, hosted by Irina Tkachenko, with Viktor Kremenyuk and Andrey Kortunov from the Institute for United States and Canada Studies]

[Excerpts] [Tkachenko] Welcome to "Top Priority." I am Irina Tkachenko and together with Viktor Kremenyuk and Andrey Kortunov of the Institute for United States and Canada Studies we look at today's balance of power in the Soviet Union. And we'll kick off with a stunning demonstration on the first day of the congress, the extraordinary Congress of People's Deputies of Russia, the supreme legislative body of the biggest Soviet republic, that took place on Thursday in defiance of the national government that prohibited all public demonstrations these days. [sentence as heard] The astounding number of people that took to the streets in Moscow, many coming from other cities to chant: Russia, Russia; to voice their support for Boris Yeltsin and the Russian Government. Do you think that is an accurate reflection of popular sentiment elsewhere towards the Yeltsin government, the Russian leadership? Andrey?

[Kortunov] Well, I think that basically, at least in Russia, Yeltsin is still very popular, though this popularity is different in different regions of the country. For example, one can say that in many of the autonomous republics people are more sceptical about Yeltsin and about his capabilities to get them out of the crisis, but if you take major cities of Russia such as Moscow, Leningrad, Sverdlovsk, cities in Siberia, in the Far East, I think that the support is unanimous and the results of the Russian referendum on the issue of the Russian presidency were a demonstration of this support.

[Tkachenko] Viktor, why do you think the popular sentiments are with Boris Yeltsin? After all, the Russian Government has so far made quite a few promises but failed for whatever reason to deliver on the promise, to deliver the goods, so to speak. The radical economic reform was never materialized and, no matter what the reason for that was, people's living standards have been steadily worsening over the last months. Why this popularity?

[Kremenyuk] Well, I think that this may be explained rather simply. The trouble is that the national government and the president of the USSR are losing their popularity, their authority, with each day, and the people don't believe that Premier Pavlov and his government are able in any way to make their living better; and in this, in this situation, of course they would tend to support anyone who would be opposing President Gorbachev and Premier Pavlov. And in this respect Yeltsin is the most outspoken opponent. He is quite popular; he has some radical ideas in mind. This is their hope right now since they have lost their belief in Gorbachev, in the Communist Party, and in the national government.

[Tkachenko] In other words, the Soviet people are not so much for Boris Yeltsin himself as they are against the center, would that be?

[Kremenyuk] Yes, I think that is correct.

[Kortunov] I would say that Yeltsin became the natural center of gravity for all those who are dissatisfied with the pace and speed and essence of Gorbachev's economic and political reform. Therefore, we can see that, for example, radical intelligentsia, and even liberal intelligentsia, which supported Gorbachev strongly enough

during the first years of perestroyka, now is alienated from Gorbachev and from the center and it supports Yeltsin strong, very strong, right now. [passage omitted]

[Tkachenko] What would be your scenario of this crisis? How could things develop?

[Kremenyuk] The next one? I think that by that time, you know, if, for example, Yeltsin pushes through his land reform, his ideas about restoring private ownership not only in agriculture but also in industry and many other things, and a lot of people would support that and would hope that that will bring something to them, but at the wame time, of course, that would mean that all the, for example, inefficient collective farms will have to be dissolved, the inefficient enterprises, industrial enterprises, will have to be shut down and that will bring, of course, the unemployment, and some people speak, some experts speak about maybe 3, 4, up to 10 million unemployed in this country. [sentence as heard] And the prices will, of course, be very high and only few of the people within the next several years would be, let's say, or will be energetic enough to raise their profits, and so of course that will be growing inequality and many other things. Whether there will be maybe an attempt by some neocommunists, something like that, or even maybe neobolsheviks or some others, to ue that, to use the disillusionment on the part of the population to manipulate, you know, the growing feelings of frustration among other parts of the population which would suffer from all these innovations and to create maybe another, maybe another attempt to seize power.

[Tkachenko] Andrey, do you think that people are prepared to part with the illusion of a guaranteed minimum of social benfits under socialism and try and work harder to get freedom to get them out of this scrape, although without any guarantees?

[Kortunov] Well, I think that they are more ready to adjust themselves to this new situation than they were just a year ago, because a lot of the social guarantees are being devaluated very fast and one of the reasons why people didn't want to take any radical reform a year ago, two years ago, this partially was because people were afraid of losing what they had. They understood that their money wasn't worth much, but they still were scared to lose their money. They understood that their medical care was in a poor state, but still they believed that it was better than nothing. But now I think the situation is deteriorating so fast and they are having so many troubles that people feel that they do not have much to lose right now and probably they are more ready to take chance, to take an opportunity to enter a market society. The only question from my point of view right now is not the question of whether we should turn private or not turn private; the question is how the process of privatization will go, and here we definitely have two options. One option is manifestated by Yeltsin and his team. In fact, what he proposes [to] the nation is that we should privatize our economy from bottom to the top, start with the small enterprises, with, you know, with farms, with cooperatives, and things like that. What Pavlov suggests is not actually a return to [the] old economic system. It's also privatization, but a privatization process that will go from top to the bottom. His idea is to have, you know, maybe 100 huge consortiums which will be half private, half state-owned. And, in fact, I think that this government is ready to turn the managers of these enterprises into owners of these enterprises, gradually of course, but still it's the ultimate goal of the current economic, you know, program as far as I see it. So it's a struggle between two options, between two models of privatization.

[Tkachenko] Do you think that Soviet Premier Pavlov by, for example, announcing this price reform, pending price reform, starting 2 April, according to which prices will go up dramatically on almost all retail prices, on almost all goods, do you think that Premier Pavlov might have his heart fully in this market reform, that what he really is driving at is the full-blooded market economy?

[Kortunov] Well, I think that he considers something like state capitalism in which the state, the traditional bureaucratic apparatus, will still play a major role in economic decisions, but they will be more independent from, you know, ideological bias, from some, you know, planning mechanisms. [passage omitted] The question is whether he is able to implement this scheme, and I really doubt that he is able to do it.

[Tkachenko] Viktor, would you share this doubt that popular mistrust of the national government, of the state, has gone so far as to render these plans by Premier Pavlov unfeasible?

[Kremenyuk] Well, I thinkk that one of the weak aspects of what Premier Pavlov is doing right now is that still the public at large doesn't know what he has in mind, what is his program, what is he going to do. For example, this reform of the prices, actually it's not a reform of the prices, it's simply raising prices and that's it. And raising prices by the government decree not because this is the demand of the market or this is the state of the market and so on, but simply because the governemnt decided to do so. So far I see only one side. It's a government-sponsored attempt to try to balance the shrinking amount of the goods and services that we have with the amount of the money that we have. But is that a market economy? No, it's a state-run attempt somehow to keep, you now, the inflation under some control and maybe to curb the living standards of the population. This is evident for the people. That's why the people they are very skeptical about this reform. They are very, of course, afraid that this reform will simply bring further lowering of the standard of living, and that's why they are inclined to support Yeltsin. At least Yeltsin also doesn't promise, you know, good things. He doesn't want to be [?sure]. He is not going to [?sweet], so to say, to his electors, but at least he says he has in mind some ideas and some problems that can be done within next year, within [the] next three years, within [the] next five years,

knowning that maybe they will have to suffer a bit, but at least in the long run they will have some brighter future.

[Tkachenko] For several years now we have had in the Soviet media, we've had people saying that President Gorbachev and Russian leader Yeltsin need each other because Yeltsin rallies around the democrats and Gorbachev is trying to neutralize the more conservative part of the apparatus and the government, the power structures. If removed they could pave the way for a dictatorship. And they really have a need for each other, and they do have a common strategy of reform. Do you think that assessment is relevant today and what role do they play, Andrey?

[Kortunov] Well, to some extent, yes, I think that still Gorbachev is important for Yelstin, because whether Yeltsin likes it or not, but Gorbachev protects him from his far right. And the only reason why these people from the right do not take care of Yeltsin, that's because they believes that Gorbachev will take care of him. So I think that Gorbachev is still instrumental for Yeltsin, besides [words indistinct]. And on the other had, I think that in order to keep in the center, in order not to become a hostage to the right wing in the society, Gorbachev also needs Yeltsin because Yeltsin preserves a very important political balance in this country; and without Yeltsin, Gorbachev could become just a puppet of the right people who will sooner or later replace him with some other mroe consistent and more ideologically minded person.

[Tkachenko] [Words indistinct] agree with [words indistinct].

[Kremenyuk] Both yes and no. I think that sure what's happening right now, if not to overdramatize it, it's a normal and quite natural political struggle which happens in any country. The trouble is that this is happening in this country, in this country with its traditions, with its economic crisis, with its [words indistinct] mention of anything which is happening in the center and many other things, and here it's [words indistinct] mention of anything which is hapening in the center and many other things, and here it's not simply, you know, that one of them needs the other and son on, but both of them are inclined to be more and more radical, to go to the extremes, to be intrasigent and less and less inclined to any compromise. And that contributes greatly to further polarization of the society, to growing, for example, anticommunism among one part of the population and, at the same time, the growing aggressiveness among the conservatives in the ranks of the Communist Party. And that, of course, creates a situation when you cannot hope for any radical solution of the existing problems, when permanently, you know, you go from one crisis, from one political crisis to another, and the majority of the energies are used for propaganda, for rallies, for mutual accusations, and many other things, while all the urgent problems, urgent needs of the people are not [?touched].

[Tkachenko] [?It's not] a terribly optimistic [?note], but anyway, thank you very much, Viktor Kremenyuk, and Andrey Kortunov. I'm wrapping up this edition of "Top Priority" and invite you to join us next week. Goodbye.

Economic

Pavlov Opens Dialogue With Striking Miners

LD0204183391 Moscow Central Television First Program Network in Russian 1800 GMT 2 Apr 91

[From the "Vremya" newscast]

[Text] The dialogue between the government and the striking miners, in which the situation in the coal mining industry is being discussed, began in Moscow today. Representatives of more than 50 mining associations from various regions of the country have gathered in the Kremlin, both of those who are on strike and those who did not support the call to stop work.

USSR Prime Minister Valentin Pavlov opened the meeting. He noted that the documents submitted to the Cabinet of Ministers and the proposals yet to be voiced by the miners in the course of the meeting should become the basis for further work. A rather protracted discussion arose around the agenda and the procedural questions. Proposals were made to the effect that political and economic demands alike ought to be examined within a single package. However, the participants agreed that it is essential to focus on an analysis of the situation in the coal mining industry and to endeavor to find economic ways of getting out from this difficult situation. The miners were unanimous that the present, complex situation demands the USSR president's presence at the meeting. Valentin Pavlov said he will convey the miners' proposals to the president.

A conference of representatives of miners' workforces was held at the USSR Ministry of the Coal Mining Industry yesterday. As a result, a 10-point protocol was compiled. Coal Mining Industry Minister Shchadov read this document to the participants.

Miners' Main Demands Listed

LD0204190191 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 2 Apr 91

[Text] A meeting between USSR Prime Minister Valentin Sergeyevich Pavlov and representatives of the country's mining collectives began in Moscow today. Details in a report from our correspondent, Valeriy Kiosa. We have only just received this material by telephone:

[Kiosa] Representatives of all the country's coal associations, deputy prime ministers, and members of the USSR Cabinet of Ministers are taking part in this meeting, on which so much in our life depends today. In the morning many speakers insisted on the indispensable participation of the country's president in these talks,

without which they did not think a successful settlement can be expected. Answering that demand, USSR Prime Minister Pavlov stated that he is prepared to examine and discuss any demands, any economic demands, from the miners. But as for the political demands, he is convinced that they ought to be tackled constitutionally. Talking about the president's presence at this meeting, Pavlov promised that he will definitely pass on to him the miners' demand to meet the president.

After a fairly lengthy discussion, a decision was made today to hear and discuss the miners' demands formulated at yesterday's meeting with Coal Industry Minister Shchadov. There were 10 points on this list. However, several more were added in the course of today's discussion. I would mention the following demands among the main ones: to increase wages by 100 to 150 percent; to include all underground workers in the list for favorable pensions with 25 years' service; indexation of miners' incomes in accordance with price rises; the cancellation of progressive taxation for miners; improvements in food; and an increase in material and technical supplies to mines.

However, not all participants in the meeting agreed with that economic expression of the issue. In their speeches, representatives of the independent miners' trade union repeatedly stressed that the miners' political and economic demands form a single package and, therefore, insisted on examination of their demands, to wit: the establishment of a coalition government; the resignation of the president and dissolution of the Congress of People's Deputies; and the conclusion of a general wage agreement with the country's government. But other speakers stressed that political demands ought not to be examined at this meeting, since such issues should be examined constitutionally. Prime Minister Pavlov also spoke about this, repeatedly stressing his readiness to examine any economic demands.

I have to say that the discussion of all those issues today was very difficult and pointed. A number of speakers had much to say about the problems of specific mines and regions, which are, of course, important to them and, of course, very difficult. For example, demands expressed very much in the form of ultimatums (?were put forward): for example, the demand for the absolute priority of miners' wages over other sectors of our economy. However, a number of speeches also dealt with problems that are characteristic of our whole national economy. I mean the economic freedom of enterprises, of course, regardless of their territorial location.

USSR Prime Minister Pavlov spoke at the end of the meeting today. He said that he was prepared to answer a number of the miners' demands there and then, but for the others it was necessary to set up a working group to discuss specific issues. He said, in particular, that an order of the USSR Cabinet of Ministers will be prepared, and might be signed tomorrow, on granting miners working in the north and the far east the right to enjoy a free journey to any point in the Soviet Union once every three years. However, Pavlov stressed that he believes that similar conditions ought to be extended to everybody working in those regions. That is the order that will be signed. As for the cancellation of progressive income tax for miners, the USSR prime minister firmly stated that progressive taxation has to be identical for everybody. If we start changing it, dependent on various categories of workers, that will not lead to anything good.

It is expected that the meeting between the country's leadership and representatives of miners' collectives will continue tomorrow.

TASS Details Talks

LD0204222391 Moscow TASS International Service in Russian 1920 GMT 2 Apr 91

[By TASS correspondents]

[Text] Moscow, 2 Apr (TASS)—A dialogue between the government and the miners began in Moscow today. Representatives of 54 miners' associations from all the country's coal regions gathered in the Sverdlovskiy Hall of the Kremlin to discuss the situation which has developed in the industry and to try to find a way out of the difficult situation which has been created.

The meeting was opened by USSR Prime Minister V.S. Pavlov. He stressed that the Cabinet of Ministers is aiming at constructive solutions and is ready to examine the proposals of the strikers and the workers' collectives and issues which are common to everyone and specific to certain regions. The prime minister proposed to discuss first the results of the fulfillment of the well-known government decision no. 608, and then the demands of the miners. The debate opened, and then another point of view prevailed. The majority of the miners present favored the results of the fulfillment of the decision being examined jointly with the demands put forward by the miners.

At the same time, the representatives of a number of strike collectives insisted that not only economic but political demands, too, should be discussed "in a single package," stressing that in the acute situation which had developed it would be expedient to hold a dialogue with the participation of the USSR president. V.S. Pavlov gave the assurance that he would report to M.S. Gorbachev about this proposal.

After a fairly lengthy discussion on the agenda and procedural matters, speeches by miners on the main issue got under way.

A statement of the Council of Representatives of Strike Committees, in which a single package of economic and political demands of the strike collectives were set out, was read out at the beginning of the discussion. But the majority did not support this statement. A number of speakers voiced the following opinion: The miners' proposals should on no account be transferred from an economic to a political plane. We have come to Moscow

not to arrange any coups but to discuss our vitally important matters and to work out mutually acceptable solutions, the miners said.

Setting out the government's point of view, V.S. Pavlov noted that the representatives of each region and each association had the right to demand to be heard at these talks. Let us seek a way out of the situation by common efforts, he said. The talks did not pass without reproaches from both sides. But common sense won the day. The miners decided that M.I. Shchadov, the USSR minister of the coal industry, would set out all their demands, because the day before representatives of the workers' collectives and the leadership of the ministry had found a compromise solution on the overwhelming majority of problems.

The minister, who dwelt in detail on 10 of the jointly worked-out points of the program for a settlement to the problems which had arisen, and replied to numerous questions from the floor, was kept on the platform by the miners for quite a long time. He was forced to listen to a number of reproaches from representatives of the striking miners, and in particular, the fact that some of their demands had not found their way into the program.

One of the main demands put forward by the speakers is to increase wages, because they do not correspond with the nature and hardship of a miner's job. At one time, they said, our job was the most highly paid, but now we are only in fourth place in wage levels. Meanwhile, working conditions in the coal industry are some of the toughest. Nor are miners happy with the level of financial compensation in connection with retail price increases.

There was serious criticism of the government over failure to supply the coal mining industry with sufficient material and technical resources. The miners made other complaints too. Among other things, they expressed dissatisfaction with the fact that they are only allowed to dispose of a miserable proportion of their output. And, of course, there were especially many complaints about the construction of housing and amenities. Ecological problems are being tackled poorly, they said. In this respect, the miners accused the government of not fully meeting its obligations under decision no. 608.

Summing up the results of the first day of dialogue, the prime minister set out his views on the main economic demands made by the miners. Speaking about the miners' demand for a pay rise of at least 100 percent, V.S. Pavlov pointed out that such a measure would cost about 13 billion rubles. Noting that the reform of price-setting had to be followed by a reform of wages, the prime minister advocated a step-by-step solution to the problem of miners' wages. He believes that it will be possible to increase them, over the course of a year, to the level which the miners are seeking. However, this step-by-step increase, he said, should not be a simple "hand-out" but should be closely linked to volumes of production. In order to work out a mechanism for the implementation of measures connected with improving miners' pay, V.S. Pavlov proposed the establishment of a commission which would include both specialists and experts from the Coal Industry Ministry and the USSR Cabinet of Ministers and also representatives of work collectives from all the coal mining regions. The majority of participants in the meeting agreed to this proposal.

Agreement was also reached on the formation of regional working groups, which will study ways of implementing the other main demand of the miners, the right independently to dispose of a proportion (up to 10 percent) of output.

Speaking about the prospects for improving matters regarding miners' food, V.S. Pavlov drew attention to the very depressing situation in food supplies in the country as a whole. The difficulties are connected with the need to purchase a significant quantity of food with hard currency, and there are very great problems in this country this year, the premier said. At the same time he gave an assurance that the government would seek, as far as it is able, to solve the problem of miners' food.

The premier also dwelt in detail on the miners' other demands: provision of material and technical resources both for food needs and for construction of housing and social and cultural facilities; cancellation of progressive taxation of wages of certain categories of workers; favorable pensions; indexation of income; and others. These problems, in his opinion, deserve immediate and in-depth study. On some issues, specific instructions have already been given to the leaders of the relevant ministries. A search is under way for a mutually acceptable solution on concluding a wage agreement. As for the demand that miners from the regions of the Far East and the Far North be granted the right to a free journey to any point in the country once in three years, V.S. Pavlov believes it possible to give a positive reply in the immediate future, after preparing a decision of the USSR Cabinet of Ministers.

The meeting will continue on Wednesday [3 April].

Miners Demand Gorbachev Presence

PM0204200191 Moscow IZVESTIYA in Russian 3 Apr 91 Union Edition p 2

[V. Romanyuk report: "Miners in the Kremlin Meet With the Country's Leadership. What Next?]

[Text] A meeting between USSR Prime Minister V. Pavlov and labor collective representatives from all 54 production associations of the country's coal industry opened in the Kremlin's Sverdlovskiy Hall 2 April. Taking part in the meeting are members of the Cabinet of Ministers, sector enterprise leaders, chairmen of territorial committees of coal industry workers' trade unions, and USSR and republic people's deputies from coal mining regions. The objective of the meeting is to

find a way out of the acute situation which has taken shape in the country's economy as a result of the continuing miners' strikes.

The meeting was opened by USSR Prime Minister V. Pavlov. Even the discussion of procedural questions with which the meeting began was very acrimonious. The miners rejected the order of business proposed by the premier, that is, that the progress of the implementation of the well-known government resolution no. 608 be discussed first, and the new proposals and demands formulated by miners at the meeting with M. Shchadov, minister of coal industry, be considered afterward. Some miners declared that this was an attempt to drown the essence of the problems in verbiage about the resolution which fell through long ago and which remains unfulfilled.

Speakers also raised the question of the status of the meeting itself. They insisted that it should be attended by the country's president because this would, in their opinion, guarantee the success of the talks as a whole, since everyone has lost faith in the possibilities of the government, including the premier himself. After a brief discussion of this issue, it was decided to begin the discussion with the prime minister nonetheless, provided that the president would take part, without fail, in the final stage of conference. V. Pavlov promised to convey the miners' wish to the USSR president. At the same time he declared that he has no intention of discussing political demands. According to his opinion, and the opinion of the president, they can be discussed only as part of the constitutional procedure.

However, the demands of a whole series of miners' collectives include political demands. N. Pastukhov, a miner from the "Yakutugol" Association, said in this context that political demands should, all the same, not be discussed; according to him the miners had not come to Moscow to stage a political coup, but rather to find ways of improving their and their families' lives.

Then authorized representatives of miners' collectives began to present their statements. The first to take the floor was A. Mril, "Krasnoyarskugol" Production Association mine installation worker and strike committee chairman. He read out a statement drawn up the day before by representatives of authorized collectives and the independent trade union of mine workers. He maintained that the strikers' demands are an integral package of political and economic issues. In order to ensure normal working conditions and fair remuneration, it is necessary to conclude a general tariff agreement, but in order to do that, there must be authorities whom the workers trust. A. Mril called for the formation of a coalition government of national trust, and demanded the resignation of the president and the dissolution of the USSR Supreme Soviet.

N. Pastukhov issued another call to drop political demands so that the entire discussion would not get bogged down in them. Indeed, many of those who spoke that day were in favor of concentrating on the solution of the mining collectives' economic problems.

Miners Unhappy With Talks

LD0204203791 Moscow TASS International Service in Russian 1917 GMT 2 Apr 91

[Text] [no dateline as received] The strike at the USSR coalmining enterprises will continue until the miners and the country's leadership find a compromise—this is the view of Aleksandr Sergeyev, deputy chairman of the Executive Bureau of the Independent Trade Union of Coalminers (NPG). He noted that the issue of strikes will be resolved by the workforces with account having been taken of talks their representatives have had in Moscow. Economic and political demands alike have been made during the present strike which, since 1 March, has spread to almost a quarter of all the USSR's coalmining enterprises.

This evening, right after the end of the meeting with USSR Prime Minister Valentin Pavlov, the representatives of the striking workforces and the leaders of the NPG had a meeting with journalists. The representatives of the workforces not on strike and of the "official" trade unions, who also met the head of the government, did not take part in the news conference. Its participants voiced dissatisfaction with the results of today's meeting. "We did not hear satisfactory answers today," stated Pavel Shushpanov, spokesman of the NPG's Executive Bureau. The miners stated that according to what Valentin Pavlov had said, USSR President Mikhail Gorbachev "was unable" to take part in the meeting with them. When the possibility was broached of meeting the president tomorrow, they continued, Valentin Pavlov "gave an evasive reply." The miners' representatives stated that they informed the head of the government of their joint statement. The statement, in particular, notes that political and economic issues are of equal importance to the strikers and contains a demand that a coalition government enjoying popular trust be formed and that the USSR president and the congress of the country's people's deputies resign.

4 More Kuzbass Mines on Strike

LD0204175891 Moscow All-Union Radio Mayak Network in Russian 1630 GMT 2 Apr 91

[Text] As reported by TASS, today the collectives of 41 mines out of 76 are not working in the Kuzbass. That is four more than there were on the eve of the opening of the extraordinary Congress of People's Deputies of Russia, in which the miners placed great hopes. The fact that the issue of the situation in coal mining areas was not included on the congress agenda might have influenced the increase in the number of enterprises on strike, the TASS correspondent believes.

Miners Send Coal to Metallurgical Combine

LD2903233891 Moscow Central Television First Program Network in Russian 1800 GMT 29 Mar 91

[From the "Vremya" newscast]

[Text] A TASS correspondent has reported from Mariupol that trainloads of coal began arriving at the Azovstal combine today. Responding to a request from metallurgists, a delegation of which visited striking mines in the Donbass, Krasnolimanskaya miners went down to the coal face and dispatched more than 4,000 tons of coal to Mariupol. For their part, metallurgists supplied the miners with more than 30,000 tons of above-plan mine props. The mutual understanding of the cooperating enterprises makes one hopeful that the blast furnaces, open hearth furnaces, and rolling mills won't have to be halted for lack of fuel.

Ryabev Previews Talks With Miners

914F0178A Moscow RABOCHAYA TRIBUNA in Russian 29 Mar 91 p 1

[Report on interview with USSR Deputy Prime Minister Lev Ryabev by Aleksandr Krotkov; place and date not given: "We Offer Negotiations: The Government Position"]

[Text]**The news that on 2 April miners' representatives will finally sit down at the negotiating table with the Union Government has brought out not only a sigh of relief but also quite a few alarming questions on the part of those who follow the miners' strike. Who will Pavlov talk with—only the delegates from the still operational mines, as he said in the beginning of March he would do (but they continue to work anyway!...), or, after all, with those who continue to strike? Will both sides have enough desire to reach a compromise? And is a compromise now possible at all? It has been repeated many times that the treasury simply does not have the money to double the miners' salary. Where will they get it now? From the printing press, perhaps? But if we set it to work full speed, it will only unleash galloping inflation. Or is it that its consequences have been, let us put it this way, slightly exaggerated?**

We asked Deputy Prime Minister Lev Ryabov to answer these questions.

"The government," said Lev Dmitriyevich, "will negotiate with those representatives of the miners who are empowered to do so by the workers collectives. You realize that these are the people who will determine when to stop the strike.

"There is no shortage of people claiming to be fully empowered representatives of the miners. Among them are the coal industry workers trade union, the independent miners' union, and various strike committees. Each of them has certain influence, but sometimes is unwilling to admit that the others have influence too. Now they will have to coordinate their actions. Otherwise the negotiations are in danger of sliding into a separatist track, and their results will inevitably be indeterminate, which is not at all in the interests of the government.

"Besides, we hope that whoever comes to this meeting with the prime minister will be able to guarantee a certain level of coal output in the mines—naturally, on mutually acceptable terms. This is not our fancy; this is in the interests of the miners themselves; they need to have a solid foundation for the complex of social guarantees."

[Krotkov] Is the government ready to raise miners' salaries? Where is it going to get money for this? And how much—a minimum and a maximum—will this future compromise cost the country?

[Ryabev] Nobody is coming up with any precise figures right now. Your own newspaper wrote that the majority of strikers have backed off their initial demand: a two to two-and-a-half-fold salary increase. Many formulate it differently now: substantial, considerable, and gradual salary increase. The independent miners' union, for instance, is talking about signing a general tariff agreement that would stipulate normal working conditions and fair pay. However, we received a draft of such an agreement not only from them but also from the central trade union of the coal industry workers. The government directed specialists from the State Committee for Labor and Social Problems, the State Committee for Prices, and the Ministry of Finance to evaluate both proposals...

The transition to a system of tariff agreements will cost the country many billions of rubles. We need money, real money—not the kind that can't buy anything. But the longer the mines are idle, the greater the losses, and thus the less opportunity there is to substantially raise miners' salaries. The situation is changing for the worse every day.

[Krotkov] Many mines will not be self-sufficient, even if the miners there work day and night. To what extent are you prepared to subsidize them from the state budget?

[Ryabev] We will discuss this issue in detail at the negotiations. It is naive to count on much right away—the country is poor. But it is possible to gradually increase the state subsidy. The government is aware of the fact that the miners find themselves in serious trouble because the price of coal remains fixed while prices of materials and equipment have risen sharply. We are ready to discuss any proposals that deal with the issue of how to help the industry and its workers and how to provide their social protection, in such a way that the miners will not find themselves at a disadvantage in comparison with representatives of other branches.

[Krotkov] To what degree are they behind now?

[Ryabev] Today miners' salaries are a little more than time and a half higher than the average industrial salaries, while 20 years ago they were almost double the average. In my view, the earlier coefficient was more fair.

One should not think that correcting such deviation is possible only by means of the state budget. Many mines have considerable funds in their accounts, but the tax scale prevents them from giving real money to their workers. Perhaps, we should discuss tax preferences for the miners that would take into account the worsening of mining and geological conditions.

In any case, both the preferences and all other steps must, first of all, stimulate efficient labor. In this we are counting on the progressive experience of some innovative miners whose representatives, I hope, will also come to Moscow.

[Krotkov] This sounds cheerful. But was it really necessary to wait until the strike started to move the mountain of problems that the government had already admitted needed to be addressed?

[Ryabev] Long before the beginning of the strike, in the middle of January, the USSR president asked the government to receive a group of Donbass miners. I met with them, too. After that meeting we started to actively work on many issues raised by them. By the way, some of these issues are among the miners' current demands. I mean such issues as expanding the list of those eligible for preferential retirement; financial help to unprofitable mines in the environment of spiraling prices; and the entire complex of issues related to pay. I can understand that the miners are impatient in their desire to improve their living conditions, but they have to understand the situation in the country, too. Whenever the miners' demands are well founded, as was the case, for instance, with the Karaganda miners, the resolution of a problem moves faster.

The government has attempted to summarize the demands of the miners from all regions, and sent them for analysis in the State Committee for Labor and Social Problems and the Ministry of Finance... This was done so that we would not come to the negotiating table empty-handed and would make these negotiations truly fruitful.

Deficit for First Quarter Exceeds Estimates

AU0304064191 Paris AFP in English 0133 GMT 3 Apr 91

[Text] Moscow, April 3 (AFP)—The Soviet budget deficit for the first quarter has shot past total deficit estimates for the full year of 1991, Soviet Finance Minister Vladimir Orolov has said in a letter to Soviet President Mikhail Gorbachev.

The deficit for the first quarter of 1991 has already reached 31.1 billion rubles (49.7 billion dollars at the official exchange rate), he warned. The estimate for the entire year's deficit has been projected at 26.7 billion rubles (42.7 billion dollars).

The independent INTERFAX news agency said the letter, also signed by Gosbank president Aleksandr Gerashchenko, was being circulated in the Supreme Soviet on Tuesday.

The two men blamed the deficit mainly on those republics, "first and foremost the Russian Federation," which had published their own laws on the distribution of hard currency revenues, INTERFAX said.

The letter warned that the deficit could reach 123.1 billion rubles (196.9 billion dollars) by the end of the year.

The finance minister and state bank head said the republics were not paying enough into a national fund for the stabilization of the economy, which is meant to centralize money for loans to the republics and help with the conversion of the defense industry to civilian concerns.

The letter said that without "urgent measures," financing of the Army and numerous state programs would run into difficulty beginning in the second quarter, leading the country to the "edge of catastrophe."

Among the measures, they suggested, might be the suspension of any laws passed by the republics which contradict Soviet legislation on banks, taxes and the budget, pending the signature of a new Union treaty with Moscow.

The letter said the Gosbank president should be empowered to fire heads of the republics' state banks and nullify decisions taken by those banks that "destabilize the money supply and constitute an obstacle to a concerted fiscal policy."

Bread Lines Reported in Moscow, Leningrad

PM0204145191 Moscow PRAVDA in Russian 1 Apr 91 Second Edition p 1

[N. Krivomazov report: "Are We Turning Bread Into Rusks?"]

[Text] Bread, salt, and matches—the absence of the latter overtaxes the most patient soul. Now it has come to standing in line for bread, too. Dozens of our correspondents dictated virtually the same reports yesterday that the country has started turning bread into rusks so that it will keep longer.

Irkutsk: You stand in line for half a day to buy a roll.

Tashkent: Now suffering a bread shortage; rationing of staple goods introduced.

Leningrad: Our correspondent cautiously recalled that the February revolution started with a lack of bread in the stores.

Moscow: The city usually consumes around 2,000 tonnes of bread per day. Predicting the run on bread, the bakeries increased daily output for the occasion to 2,400 tonnes per day. But no one waiting in line believes anything anymore. Consequently, Vladimir Sayenko, RSFSR [Russian Soviet Federated Socialist Republic] deputy minister of grain products, for example, forbade his family to go to the baker's—let an extra roll remain in the store.

Okay, this may be a way of tackling the problem. But leaving the mordant humor aside, Sayenko sees the reason for yet another shortage—the bread shortage—primarily in the panic which he himself expected to occur the day following the announcement of price rises.

"I believe the run on bread will fizzle out on 2 April," V. Sayenko firmly assured me.

"But will our flour last us until the new harvest?"

"Russia needs quite a lot of grain for bread and bread products," the deputy minister recalled. "But the republic has not met the state order for its sale. A lot of grain has remained at the kolkhozes and sovkhozes [collective and state farms]. That is to say, there is grain, but how do you get it? However, that is another topic of discussion. Like the problems of the sector. Last fall it improved personnel matters pretty well, giving bakery workers a decent pay rise. But the modernization of the sector promised as a result of conversion has made zero progress to date."

And another piece of news, heard from E. Zaytsev, chief engineer of the "Mosgorkhlebprom" association:

"Despite the uproar over bread, the plants are not stopping baking Easter confectionery. So yet another line appears—this time for Easter cakes."

'Numerous' Price Violations Reported

LD0204194491 Moscow TASS in English 1844 GMT 2 Apr 91

[by TASS correspondent Vladimir Isachenkov]

[Text] Moscow April 2 TASS—Retail price reform which went into effect in the Soviet Union today is intended to create the necessary starting conditions for the transition to a market and even out disproportions which distorted the country's economy for decades, journalists were told at a news conference at the Soviet Ministry for Labour and Social Affairs today. The conference was attended by representatives of a number of government departments.

The reform aims at considerably cutting state subsidies for the production of consumer goods, which amounted to 115 billion roubles, deputy chairman of the state pricing committee Ivan Gorbachev told TASS.

Subsidies will continue to be paid for products of the dairy and meet, fish and medical industries. This will be done taking into account the high cost of production in these branches of the economy. For instance, the cost of a kilogram of beef is now about nine roubles a kilo. As a result of the pricing reform, its price will reach seven roubles a kilo. Ivan Gorbachev said that price hikes on the whole range of commodities will amount to no more than 60 per cent over last year's level. But the price growth index is much higher for some commodity groups: it will amount to 175 per cent for light industry products and to 240 per cent for foodstuffs.

Eighty-five per cent of the money raised through price hikes will go to pay compensation to the population, and the remaining 15 per cent will be used to slash the budget deficit at the expense of subsidy cuts.

Deputy minister for labour and social affairs Nikolai Cheshenko told journalists that nearly 80 million people, or nearly every fourth in the country, now live close to or below the poverty line, which has been set at 100 roubles a month.

According to Cheshenko, as a result of price reform the number of people living close to the poverty line will increase dramatically. However, "much will depend on the further behaviour of prices," he said.

Cheshenko also noted that the government has already received numerous reports on violation of ceiling prices established by the government. In many shops in Moscow, goods continued to be sold at so-called contract prices (established under contract between the producer and the distribution network).

For instance, vegetable oil was sold in some shops at eight roubles 10 kopecks a kilo, while the new state-endorsed retail price for the product is three roubles 40 kopecks.

Ivan Gorbachev stressed that if the distribution network administration fails to bring retail prices in accordance with those on state price lists, all unlawful receipts would be seized and turned to the state budget.

Ivan Gorbachev admitted that although price reform stimulates production, it would be wrong to expect that the market would be saturated with goods directly following the price reform. "A set of measures is needed to stimulate production," he stressed.

Effects of 'Enforced' Price Hikes Examined

LD0204170891 Moscow World Service in English 1210 GMT 2 Apr 91

[Sergey Vorobyev commentary]

[Excerpts] As of 2 April, retail prices of foodstuffs and consumer goods in the Soviet Union have risen significantly. Details from our commentator, Sergey Vorobyev, and this is what he writes:

According to the calendar, April Fools' Day, 1 April, a day of laughter, humor, and practical jokes, moved into

the 2d day without any break. Sad as it was, new prices were enforced on us as of Tuesday. They will be a severe blow to our family budgets, yet the government has taken measures to somehow cushion the effect. A number of substantial changes have been introduced in the legislation on taxes levied on enterprises, associations of production facilities, organizations, and citizens. This is linked with the need to pay considerable sums of money to the population in compensation for the higher prices, which have doubled and even trebled. The exceptions are medicines, synthetic fibers, toys, petrol, coal, electricity, vodka, and cheap domestic brands of tobacco. Rent remains the same. According to government data, the general level of retail prices goes up by roughly 60 percent.

But, as I have already said, the price rises are partly compensated for. As a result, the incomes of all working people in the state sector will increase, along with pensions and college grants, as well as benefits for children and (?floor) wages. Eighteen billion rubles are to be set aside to raise salaries for workers in public health, education, culture, and science. All the former limits on earnings have been lifted.

That was a topic of conversations between the prime minister, Valentin Pavlov, and workers of a Moscow auto plant on Monday:

[Begin Pavlov recording in Russian with superimposed English translation] Today, one has to speak not of compensation but of wages and salaries, said the prime minister. I, for one, am satisfied that the workers have clearly outlined their opinion, that a fair wage should be paid for work and that they would like to earn more. The government must be ready to work along precisely this direction, that is, remove all barriers that hinder increases in output and wages, said the prime minister. [end recording] [passage omitted]

The announcement of the price reform was not unexpected, although it has evoked a wide range of contradictory feelings. Strange as it may seem, hope is one of the feelings. Is it possible that at long last foodstuffs and consumer goods will appear in the shops, the taste and sight of which we've nearly forgotten, even though at higher prices?

The next few days will show whether this hope is justified. And, the last thing: Of course, the price rises are an unpopular measure due to the abnormal development of the economy; the nation's leaders believe that price reform is a bitter pill which has to be swallowed.

New Retail Prices Published

914A0556A Moscow RABOCHAYA TRIBUNA in Russian 22 Mar 91 p 2

[List of new retail prices, followed by a note from the editor: "For You, Shoppers"]

[Text] *With permission of V. Senchagov, chairman of the USSR State Committee for Prices, we are publishing the new food and consumer goods retail prices, and providing the old prices for comparison.*

Changes in various consumer goods retail prices

	Current retail prices in rubles per kg (2d zone)	New retail prices in rubles per kg
FOODS		
Meat and Meat Products		
Beef, 1st category, 1st grade	2.00	7.00
Lamb, 1st category, 1st grade	1.90	6.00
Pork, 2nd category (lean)	1.90	5.30
Chicken, 1st category, dressed	3.40	5.60
Milk and Dairy Products		
Whole milk, 3.2 percent fat	0.28	0.50
Butter, top grade:		
peasant	3.50	8.80
unsalted	3.60	10.00
Hard cheeses	3.20	6.40
Whole milk cottage cheese	1.00	2.00
Eggs		
1st category, diet grade	1.30	2.60
1st category, table grade	0.90	1.80
Fish and Fish Products		
Pike perch, chilled or frozen	1.00	3.00
Sea perch, frozen, dressed	1.01	2.40
Cod, frozen, dressed	0.59	2.20
Bream, cold smoked	1.40	5.50
Flour		
Wheat:		
top grade	0.46	1.40
1st grade	0.31	0.94
2nd grade	0.27	0.82
Rye:		
sifted	0.26	0.78
hulled	0.23	0.70
Cereals		
Buckwheat, whole-kernel, 1st grade	0.56	1.68
Rice, white, top grade	0.88	2.20
Millet, ground, top grade	0.30	1.00
Macaroni		
Regular:		
of 1st grade flour	0.42	1.20
of top grade flour	0.58	1.60
Sugar		

Granulated sugar	0.85	2.00
Vegetable Oil		
Sunflower oil, purified, natural flavor	1.70	3.40
Margarine		
top grade	1.50	3.00
Tea		
Tea, black bohea, top grade	9.60	18.00
Breads and Bakery Products		
Rye bread, regular, 95 percent extraction flour, 1 kg	.12	0.48
Stolichnyy bread, mixture of 95 percent extraction rye and 1st grade wheat flour, 0.850 kg	0.24	0.61
Orlovskiy bread, hearth-baked, mixture of 95 percent extraction rye and 2nd grade wheat flour, O.930 kg	0.19	0.60
Slit-top loaf, of 1st grade wheat flour, 0.400 kg	0.33	1.00
Slit-top loaf, of top grade wheat flour, 0.5 kg	0.50	1.20
MANUFACTURED GOODS (per meter, per item, per pair)		
Printed cotton, 1 m wide	1.12	3.00
Printed poplin, 0.8 m wide	2.00	4.20
Rafa fabric (34 percent wool), 1 sq.m.—0.253 kg, 1.52 m wide	12.80	30.00
Fabric for school uniforms, (30 percent wool), 1 sq.m—0.310 kg, 1.52 m wide	8.00	33.00
Plaid blanket, (30 percent wool), 1.40 m x 2.05 m	17.00	54.00
Men's cotton T-shirt	1.34	4.70
Women's cotton stockings	0.70	3.00
Women's stretch pantyhose	3.00	3.00
Men's stretch socks	1.40	1.40
Men's wool sweater	34.00	78.00
Men's suit, 50 percent wool fabric	107.00	245.00
Men's long-sleeve cotton shirt	8.60	16.50
Women's cotton dress	11.30	26.00
Women's shoes with polyurethane soles	18.00	24.50
Men's shoes with polyurethane soles	19.00	25.00
Children's wool sweater (size 36)	12.50	59.00
Children's cotton pantyhose	1.60	4.50
Wool dress, size 38 (school uniform)	12.00	62.00
Boys' shoes with polyurethane soles	8.50	21.50
Straight-stitch sewing machine	67.00	125.00
School notebooks	0.02	0.10
Baby strollers		
model KED-01-74, folding	47.00	94.00
model KK-23-88	68.00	136.00
Children's three-layer skiis	4.20	15.50
Day bed	188.00	346.00
Lotos detergent, 1 kg	1.00	1.60
Saratov KM-120 refrigerator	250.00	430.00
SMR-1.5 washing machine	80.00	165.00
Rubin ts281D color TV-set	755.00	1218.00
Record black/white TV-set	240.00	440.00
Okean radio set	135.00	207.00

FROM THE EDITOR

As we publish this concrete information on new prices, we understand that hardly anyone will rejoice at them, however justified they may be from the economic point of view. There are also certain, far from ungrounded, apprehensions of the following kind: What if our wheeler-dealers use this new situation for their gain, given their extensive experience in their criminal profession? The fact that not all of us can memorize all the new prices right away can be used by them, for instance, or they might exploit the unavoidable confusion that the introduction of new prices entails in various areas of the country.

In his decree the president demands, of course, the strictest control over the new prices; he insists that a stop be put immediately to all instances of illegal consumer goods price hikes. However, to us these phrases seem too general and not adequate in view of our critical state of affairs which requires most energetic measures. Attempts were made already, before the official price increase, to hike prices illegally. For instance, we saw a sudden increase in the price of television sets, which remained outside the framework of pertinent regulations and not every owner of such a set managed to get compensation for the damages incurred.

To ensure that something of a similar nature does not happen this time, we appeal to our legislators: You should take immediate legislative measures directed against all kinds of speculation based on illegal price hikes.

We appeal to the workers' control: As we expect an increase of such cases, put a stop to all instances of theft using fake prices.

Gosbank Chairman on Money Emission Policy

914A0573A Moscow IZVESTIYA in Russian
27 Mar 91 Union Edition p 3

[Interview with V.V. Gerashchenko, chairman of the USSR Gosbank, by I. Zhagel; place and date not given: "There Will Be R200, and Perhaps R500 Bills..."]

[Text] [Zhagel] Viktor Vladimirovich, let us begin with the fact that price increases will require an additional stock of circulating bills. I expect that on this account a new wave of discussions will arise in our country about justifying the emission of money and the artificial promotion of inflation.

[Gerashchenko] I would like to immediately specify one aspect which is important in principle: Emission processes cannot be viewed in isolation from other statistics concerning the development of the national economy. If growth of the cash and non-cash money supply coincides with growth of the national product this, in general, signifies a healthy economy. After all, servicing growth in product stocks requires a greater amount of money.

Also, we cannot make the emission of banknotes absolute. In general, cash circulation accounts for merely 10 percent of the entire turnover of monetary funds in the national economy. Of course, the printing of new bills may be banned, but this will not slow the growth of people's incomes. Enterprises have an opportunity to transfer funds directly to savings accounts, and subsequently checks or credit cards may be used.

We will create problems for ourselves if we artificially restrict the emission of banknotes. This method of curing our financial system would be similar to the anti-drunkenness campaign in which they tried to wean people from drinking by reducing the production of alcoholic beverages. Let us tell ourselves once and for all that the task of the central bank systems of the Union and the republics is different: It is to make the enterprises allocate their funds, primarily non-cash funds, to augment the output of goods, and to increase the incomes of employees only after that.

These are, so to say, general remarks on what is a particularly vital issue for us. As far as the current administrative price increase is concerned, naturally, it requires that the money supply be increased—I will stress once again—both the cash and non-cash money supply. We calculate that out of the credit resources which should be provided for the national economy in 1991, 72 billion rubles [R] will be used solely to service the increment of wholesale and procurement prices. Of course, the growth in retail prices in the process is unavoidable. However, increased wages, retirement pay, and benefits are also envisaged. Therefore, the increment of the money supply which I have quoted does not include anything inflationary.

Incidentally, I am not going to deny that inflationary processes not associated with the rectification of existing price distortions will also develop simultaneously. These processes will get stronger in the future, given the liberalization of prices and the preservation of monopolistic structures.

[Zhagel] I agree that we should not overemphasize the emission of banknotes. Nonetheless, our readers and specialists would be interested to know what the magnitude of the increase in the number of circulating bills will be.

[Gerashchenko] Proceeding from the fact that retail sales will exceed R700 billion in 1991 (on average they have been about R450 billion in the 1990's), emission should be considerable. Specifically, the amount of money in cash circulation will increase by R40 billion. That is, by the end of last year we had R139 billion in banknotes, whereas this time the total amount of paper money will come to about R180 billion.

[Zhagel] Have these additional banknotes been printed already? Will paper money perhaps become the most sought-after commodity in short supply in conjunction with the price increase?

[Gerashchenko] Alas, the process of printing money itself does not present specific problems. We also have certain reserves. Moreover, R200 bills will likely be put into circulation this year. Otherwise our printing plants will have to produce too much money in small denominations.

It is not ruled out that in the future we may have to produce even higher denominations—R500 and R1,000. However, this is going to depend on the degree of success in containing the growth of prices, and the degree to which the growth of income is commensurate with an increase in the efficiency of production.

[Zhagel] If printing additional paper money is indeed no problem, where are we to get non-cash but real funds which would make it possible to restructure our industry to cater to the consumer?

[Gerashchenko] We hope that the growth in prices will bring about greater enterprise profits, and will provide weightier incentives to raise output of consumer goods. Still, the financial problem will not be solved in this manner soon. Some people believe that, for example, it is possible to take funds currently spent for the production of armaments. However, the very conversion of defense enterprises calls for investing money in structural shifts rather than, on the contrary, taking it away from enterprises.

It would appear that this is a dead-end situation, but there is a way out. It may seem like a retreat, but this is precisely what the central banks and governments of England, France, Italy, and other countries of Europe did in the 1960's and 1970's, when structural shifts in industry were under way there as well. This has to do with the wise use of... the emission mechanism to sustain some types of production which are the most significant for the national economy.

[Zhagel] So, will the money supply be artificially increased after all? Actually, in a number of countries they do the opposite—they squeeze the money supply so that only those enterprises win the contest for credit which invest money in the most effective types of production and quickly recoup borrowed funds and the high interest rates on financial resources which are in short supply.

[Gerashchenko] If we look at the two-tier banking system currently evolving in our country, everything is actually going to transpire in this manner in the lower tier, where commercial banks operate. Commercial banks will insist on very strict requirements for their debtors, because

they only have funds borrowed from the enterprises or from one another, and are forced to pay a high rate of interest. Commercial banks will also be able to seek financial resources from the central bank of the country, naturally, through the central banks of republics. However, these funds will also have to be provided at high rates of interest.

However, in the immediate future all the financial resources available simply will not be enough. This is why emission will have to be used in order to sustain the lines of production which are geared to the needs of the consumer, and may ensure rapid returns: for example, those associated with the production of construction materials or the processing of agricultural products. However, it is important to stress in this instance that these funds will also be loaned through commercial banks for a specific purpose, the terms being repayment of the loan plus, of course, a certain amount of interest.

[Zhagel] Who is going to determine and control the scope of such emission?

[Gerashchenko] Pursuant to the laws in effect, the USSR Gosbank [State Bank] reports to the USSR Supreme Soviet at present. This is why everything associated with the emission processes will be ratified by our parliament, naturally, at our request. We will try to convince the people's deputies that in the coming two or three years our credit policy should be precisely of this nature.

[Zhagel] However, the inflationary injection of money into the economy will not only support individual industries, but will only reduce the purchasing power of the ruble or, in simpler terms, will spur on inflation. Will the people's deputies agree to this? How will public opinion respond?

[Gerashchenko] Unfortunately, our mass media have created a stable stereotype of inflation as an unambiguously negative process. It is absolutely not so. Inflation is one of the instruments of economic management. Inflation plays approximately the same role in the economy as fever does for a sick person—one recovers after it. This is why it is necessary to try to make our notion of inflation more balanced.

After all, we will not find a single country in which the formation of its economy was not accompanied by inflationary processes. The issue is how to control them.

[Zhagel] I believe that so far we have, unfortunately, failed to master this art, and the ruble continues to get cheaper rapidly. Incidentally, how will the rate of exchange of the ruble into other currencies change in conjunction with current price increase?

[Gerashchenko] Naturally, it should decline. We are now working on determining a new commercial rate of exchange for the ruble. However, I cannot give you specific numbers at present. I will only say that our goal is to stimulate the development of exports. This may only be accomplished if favorable terms are granted for exchanging the dollars generated into rubles.

[Zhagel] Will the official rate of the ruble be preserved?

[Gerashchenko] Yes, for now it will remain unchanged. This has to do with the fact that previously, when we extended loans to various countries, their amounts were expressed in rubles and tied to the official ruble exchange rate. This is why it would be very disadvantageous for us to abandon this rate right away. This would be accompanied by considerable currency losses and a reduction of the volume of goods delivered to our country.

[Zhagel] What can you say regarding the recently announced revaluation of the people's deposits in savings banks?

[Gerashchenko] Specific numbers are given in the pertinent ukase of the president. I can outline, so to say, the philosophy of this decision.

In general, there were many discussions during the preparations of this decision. After all, deposits have never been revalued in other countries. However, taking into account the fact that the price increase in our country was introduced through administrative means, we could not allow the confidence in the state, the government, and the banking system on the whole to be undermined.

As far as the ratios of compensation are concerned, they are based on the growth which will occur in the consumer goods sector. After all, the people, as a rule, accumulate money in savings banks precisely for such purchases.

[Zhagel] Where will the funds for the compensation come from?

[Gerashchenko] They will be paid in keeping with the obligations of the state, that is, the state debt will increase by the same amount.

Of course, this is not the best solution. However, in the larger scheme of things, our state debt is even lower than in many developed countries. It may be easily retired when privatization begins in our country. Moreover, we are going to provide loans to the population in order to buy out shops, plants, and housing which now belong to the state, and thus reduce the state debt.

Draft Law on Consumer Protection

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For the draft law on consumer protection published in the 2 March 1991 Union Edition of IZVESTIYA, see the JPRS Report Soviet Union: Economic Affairs, JPRS-UEA-91-013, pages 69-75.

Agricultural

Problems Hamper Volgograd Oblast Spring Sowing

PM0204155591 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 29 Mar 91

[Report by Ye. Orlov in "Tingutinskiy" State Farm in Volgograd Oblast, from the "Vremya" newscast]

[Excerpt] [Orlov] I must admit that, having heard various rumors to the effect that last year's harvest had been squandered and that this spring there was nothing to plant in the fields, I was prepared for the worst. This was my first meeting with the machine operators. Harrows were being assembled into a wide-span unit on the boggy ground. [Video shows team leader Kh.M. Imangulov]

You're not worried about anything?

[Imangulov] In my mind, there's nothing to be worried about in the countryside. People are in the mood for hard work, the equipment's all ready...

[Team leader V.S. Chicherov] We think we'll sow everything conscientiously and in good time.

[Orlov] So all these concerns are unjustified?

[Team leader A.T. Filippov] Of course they are. We'll all be doing our field work as normal. Everyone's eager to get down to field work and produce a good harvest this year.

[Orlov] Although, of course, there are some problems. But they are the same as in previous years—equipment trouble. Farms have only one-third of the new tractors they need. They will have to use patched-up tractors that have already been written off. There are still no spare parts—they are especially short of batteries and rubber items. There is a shortage of aviation fuel, which could affect the use of aircraft to fertilize winter crops. In other words—the same old problems, nothing new. Although, a few things have already been done for the future harvest. [passage omitted]

New Magazine To Examine U.S. Farming

PM1803162391 Moscow PRAVDA in Russian 12 Mar 91 Second Edition p 6

[N. Musiyenko report: "U.S. Farming Revealed"]

[Text] A presentation ceremony marking the first issue of the special-interest magazine NOVYY FERMER [New Farmer] was held in Moscow yesterday. The joint Soviet-U.S. venture Periodicals-Trading-Service has begun publishing the journal.

The journal's potential readers are all who work the land, whoever they may be: leaseholders, farmers, ordinary village inhabitants with subsidiary plots, and city dwellers who spend their weekends or holidays on their allotments. One of the new publication's main tasks is to provide information about the organization of farming in the United States and other countries.

The journal presentation ceremony was attended by U.S. Ambassador to the USSR J. Matlock.

Joint Venture Launches Model 'Family Farm'

PM0204150991 Moscow Central Television First Program Network in Russian 1800 GMT 28 Mar 91

[Report by I. Tereshkina, From the "Vremya" newscast]

[Text] [Announcer] A new type of family farm is being created in the village of Glazovo in Solnechnogorskiy Rayon near Moscow with the participation of Swedish firms.

[Tereshkina] The most important documents for the organization and running of the future farm were signed today. The signing was attended by the farm's future owner Aleksey Fedorovich Kochetkov, and by Bo Dockered, chairman of the Association of Swedish Farmers.

[V.G. Sheremetev, chairman of the Soviet-Swedish-U.S. "Vneshagro" Enterprise Board] This is a showcase farm; naturally it cannot be reproduced on a mass scale. The main objective here is to create a training center for future farmers.

[Tereshkina] Great significance is attached to this project, which is why Swedish Ambassador to the USSR Carl Otto Orjan Berner and USSR Agriculture Minister Vyacheslav Chernoivanov are also present here today.

This is how the farm will look [video shows plan of farm]. It is being constructed by Mosoblstroy [Moscow Oblast Construction Administration]—and specifically the Klin Agricultural Construction Combine.

Such large Swedish firms as Alfa-Laval and Vederstad Verken have already delivered here the agricultural equipment and top-quality seeds. The 203 hectares of land, of which 175 hectares are plowland, are assigned to Kochetkov by the Savelevskaya Poultry Farm, which is also financing the construction work.

This will be the cowshed, housing 100 animals.

Aleksey Fedorovich, what kind of team do you have?

[A.F. Kochetkov, farmer] There are six of us—I myself as head of the family, two sons, a son-in-law, and two daughters-in-law.

[Bo Deckered, chairman of the Association of Swedish Farmers, in Swedish with superimposed Russian translation] This farm will have a kind of ripple effect, like a stone thrown in water. It is, as it were, the first step in cooperation between the Association of Swedish Farmers and the recently created Association of Farmers of the USSR.

[Tereshkina] How do you see your future?

[Kochetkov] Working hard, no doubt.

[Tereshkina] Yuriy Nikolayevich, will you continue as sponsor?

[Yu.N. Zaytsev, director of the Savelevskaya Poultry Farm] Naturally, without question.

Scientific

'Small-Capacity Nuclear Power Station' Developed

LD0304063991 Moscow All-Union Radio Mayak Network in Russian 2200 GMT 2 Apr 91

[Summary] Soviet scientists have created a small-capacity nuclear power station. The unit is so small that it can be put in place by a motor vehicle, a motor boat, or a helicopter. The station's most important property is its absolute ability to operate on its own, without people to service it. Its automatic system guarantees that it is accident-proof. The installation was developed by the "Energiya" scientific production association under the supervision of experts from the Kurchatov Atomic Energy Institute. Once set up, the station operates in an automatic mode for 25 years. The special nature of its construction guarantees complete safety of operation, even when operating in waterless and earthquake prone areas. Once the set operational period runs out, the station can easily be transported by helicopter to a burial site.

The power station has evoked great interest in the maritime territory as a source of power for villages along the coast. The Izhorskiy works in Leningrad is planning mass production of the station.

Chernobyl Sarcophagus Future Under Discussion

LD0204133291 Moscow TASS in English 1243 GMT 2 Apr 91

[By TASS correspondent Aleksey Petrunya]

[Text] Kiev April 22 TASS—The sarcophagus entombing the fourth unit, which melted down during the accident at the Chernobyl power plant, is the key safety problem, according to Yuriy Samoilenko, general director of the Spetsatom Soviet agency, which ensures safety at the plant.

The sarcophagus is not fully sealed, Samoilenko told TASS. The total area of its unsealed surface is more than 1,400 square meters. In addition, there is a 2,000 tonne section of the reactor inside, hanging above the shaft. It was torn away by the explosion, he said.

The part has been dubbed the "lid". Many experts fear that its fall into the shaft could result in a discharge of the radioactive dust that has accumulated inside the reactor.

Scientists are discussing building a second cover for the unit, possible made of titanium. Under another proposal the unit will be dismantled down to 12 meters, nuclear debris will be taken out and buried and the rest will be sealed with concrete.

Some specialists suggest dismantling the unit without building the second cover. The nuclear fuel and parts of the reactor would be removed.

"There should be ample financing of research and development to enable work on the most appropriate version of the future Chernobyl sarcophagus," Samoilenko said.

New Fertilizer for Chernobyl-Affected Areas

LD2803193491 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 28 Mar 91

[Report by correspondent I. Dvorkhin from the "Khimprom" association in Dzhambul; from the "Vremya" neswscast]

[Text] [Dvorkhin] At the Khimprom association in Dzhambul, the fertilizer shop has started turning out fertilizer capable of helping to render radioactive plants and soils harmless.

Here are the granules which, as it were, drive out radiation. This is a fertilizer made up of phosporous and slowly soluble harmless compounds of calcium, potassium, and magnesium. Absorbing them the plants do not take up radioactive elements from the soil, which, alas, decay only with time. Even though the invention by Leningrad chemists of polifoska protects from the terrible effect only a particle of living nature, in this way it breaks the dangerous chain of the consequences of Chernobyl to which the earth, plants, animals, and people are tied.

In Dzhambul production waste is being used as raw material for these ecologically clean fertilizers, so that the chemical industry workers themselves also benefit. The new shop was built without a kopeck of state funds and yields some 30 tonnes of the salutary fertilizer. However polifoska may not reach Gomel or Vinnitsa at all. Today subsidies for agriculture have been abolished and the collective and state farms themselves are unable to purchase the Dzhambul fertilizers which, in the conditions of the market, are becoming more expensive; leaving their prices unchanged would mean operating at a loss. In either case there will be no money to pay the wages and production will have to be halted.

[M.T. Atabayev, general director of the Khimprom association] Foreign firms are now ready to give us credits and are also ready to resolve all our ecological problems: We can produce, they now say, acetic acid, methanol. This is output which is also very much needed and it can be made from our waste, without spending any resources. This is the comprehensive use of Karatau raw materials and, naturally, the income from this would clearly go to develop the industry. Many firms are expressing the wish to build a joint plant with us. But

everything is being held up by three factors [as heard]: the fact that when I sell output, I am banned from having hard currency.

Military

All-Army Party Conference Concludes 30 Mar

PM0204143191 Moscow KRASNAYA ZVEZDA in Russian 2 Apr 91 First Edition p 1

[Unattributed report: "Serving the Homeland"]

[Text] The All-Army Party Conference concluded its work 30 March. In an atmosphere of openness and principled exactingness the delegates defined the concept and basic guidelines for practical activity by Army and Navy communists in the light of the new conditions in which our society, the CPSU, and the Armed Forces find themselves.

The delegates listened with great attention to a speech by M.S. Gorbachev, general secretary of the CPSU Central Committee and USSR president.

The delegates adopted resolutions on the first and second items on the agenda. They also adopted the Appeal of the First All-Army Party Conference to Communists in the USSR Armed Forces.

The conference elected the All-Army Party Committee and Control Commission. A plenum of the All-Army Party Committee elected Major General M.S. Surkov secretary; Major General P.I. Grigoryev heads the Control Commission.

With this the First All-Army Party Conference concluded its work. That same day a briefing was held for representatives of the mass media. Colonel General N.I. Shlyaga, Maj. Gen. M.S. Surkov, and Maj. Gen. P.I. Grigoryev answered journalists' questions.

The party conference delegates laid wreaths at the V.I. Lenin Mausoleum and the Tomb of the Unknown Soldier by the Kremlin wall.

'Independent' CPSU Structures Formed

LD0304150591 Moscow TASS in English 1441 GMT 3 Apr 91

[By TASS correspondent Andrey Surzhanskiy]

[Text] Moscow April 3 TASS—The creation of independent structures of the Soviet Communist Party in the Army and the Navy is the main result of the first party conference of communists in Soviet Armed Forces, Nikolay Shlyaga, head of the chief military-political directorate of the Soviet Armed Forces, told a news conference here today.

He and some other delegates to the conference told journalists about the results of the conference. They stressed that within the framework of military reform, party and state functions, previously controlled by the chief political administration in the Soviet Armed Forces, were separated at the conference.

Commenting on the idea of departising the Army, upheld by some mass media, General Mikhail Surkov, whom the conference elected secretary of the Communist Party Committee of the Soviet Armed Forces, stressed that "at present some forces are seeking to use these calls not only in order to undermine the influence of the Communist Party in the Armed Forces but to reorient the Army in their own interests". According to him, delegates to the forum should be unanimous in their attitude to this: the Armed Forces should obey only one, ruling party. Now the Communist Party is the ruling one.

Responding to a question about the possibility of setting up other political party organisations in the Army, Surkov stressed that "the leadership of the Armed Forces has no plans for artificially fostering such structures".

As regards resignation of servicemen from the Communist Party, Surkov said that the number of new party members admitted to the party in 1990 and early 1991 was greater than the number of people who withdrew from the Army.

Nikolay Shlyaga denied rumours that delegates to the conference charged President Mikhail Gorbachev with pursuing an inconsistent policy. "Nothing of the kind was said at the conference," Shlyaga said. According to him, all criticism voiced at the conference was constructive. Critical remarks were aimed at the solution of social problems and the faltering process of conversion. However, the general stressed, none of the critical speeches sounded like an ultimatum.

Shlyaga Briefs Press on Conference

PM0204143591 Moscow KRASNAYA ZVEZDA in Russian 2 Apr 91 First Edition p 1

[Correspondent Lieutenant Colonel V. Zyubin report: "Briefing for Journalists"]

[Text] After the end of the First All-Army Party Conference there was a briefing at which Colonel General N.I. Shlyaga, chief of the USSR Armed Forces Main Military-Political Directorate and USSR first deputy defense minister, delivered an information report. He introduced to journalists Major General M.S. Surkov, secretary of the All-Army Party Committee, and Major General P.I. Grigoryev, chairman of the Control Commission, who were newly elected by a plenum of the All-Army Party Committee.

Mikhail Semenovich Surkov rose through the ranks from company deputy commander for political affairs to senior secretary of the Soviet Army and Navy Main Political Directorate Party Commission. He is a member of the CPSU Central Committee and a USSR people's deputy.

Petr Ivanovich Grigoryev has great experience of party work. He was active in grassroots party links. And his most recent post was as first deputy chief of the Air Defense Forces Military-Political Directorate.

The briefing emphasized that the attention not only of Army and Navy communists but of all the country's communists was riveted on the All-Army Party Conference. Members of the Politburo and secretaries of the CPSU Central Committee and secretaries of the Union republic Communist Party Central Committees and of a number of party kraykoms [kray committees] and obkoms [oblast committees] took part in its work.

The fact that M.S. Gorbachev, general secretary of the CPSU Central Committee and USSR president, took part in its work is also evidence of the special attention paid to the all-Army forum of communists.

The All-Army Party Conference completed work to separate the party and state functions of political organs and to create new party structures. But, Col. Gen. N.I. Shlyaga stressed, this does not mean that there will not be close collaboration and cooperation between military-political organs and the new party structures.

Comrades N.I. Shlyaga, M.S. Surkov, and P.I. Grigoryev answered numerous questions from journalists at the briefing.

Conference Participants Listed

PM0304082591 Moscow KRASNAYA ZVEZDA in Russian 30 Mar 91 Second Edition p 1

[Unattributed report: "First All-Army Party Conference"]

[Text] The First All-Army Party Conference began its work in Moscow 29 March. The following questions will be submitted for consideration:

1. On the present moment and measures for the ideological rallying and the organizational-political strengthening of party organizations in the USSR Armed Forces.

2. Ratification of the "Regulations of the USSR Armed Forces CPSU Organization's Control Commission."

3. Election of the All-Army Party Committee.

4. Election of the USSR Armed Forces CPSU Organization's Control Commission.

The following are taking part in the party conference's work: M.S. Gorbachev, general secretary of the CPSU Central Committee and USSR president; Marshal of the Soviet Union D.T. Yazov, member of the Security Council and USSR minister of defense; L.E. Annus, member of the CPSU Central Committee Politburo and first secretary of the Estonian Communist Party Central Committee; S.K. Pogosyan, member of the CPSU Central Committee Politburo and first secretary of the Armenian Communist Party Central Committee; Yu.A. Prokofyev, member of the CPSU Central Committee Politburo and first secretary of Moscow City CPSU Committee; A.P. Rubiks, member of the CPSU Central Committee Politburo and first secretary of the Latvian Communist Party Central Committee; O.D. Baklanov, secretary of the CPSU Central Committee; Ye.N. Makhov, acting chairman of the CPSU Central Control Commission; G.I. Yeremey, first secretary of the Moldavian Communist Party Central Committee; and L.V. Sharin, acting chairman of the USSR Supreme Soviet Committee for Defense and Security Questions. The conference is also attended by USSR and Union republic people's deputies; senior officials from the CPSU Central Committee, Union republic Communist Parties' central committees, and the apparatus of the USSR president and USSR Cabinet of Ministers; leaders of a series of ministries and departments dealing with tasks concerning the country's defense and security; members of the CPSU Central Committee Coordinating Committee; party and USSR Armed Forces veterans; and party committee secretaries and control commission chairmen from military districts, groups of forces, fleets, and individual armies.

Colonel General N.I. Shlyaga, chief of the Main Military-Political Directorate of the USSR Armed Forces and USSR first deputy defense minister, delivered a report on item one of the agenda (the report is published in summary form).

The delegates who spoke during the debate comprehensively examined topical problems of crucial importance for the vital activities of Army and Navy party organizations in the contemporary conditions.

Delegates to the All-Army Party Conference listened with great attention to the speech by Marshal of the Soviet Union D.T. Yazov, member of the Security Council and USSR minister of defense.

The conference held elections of the All-Army Party Committee and Control Commission.

The conference is continuing its work.

Published Defense Budget 'Far From Complete'

91UM0522B Moscow ARGUMENTY I FAKTY in Russian No 13, Mar 91 p 6

[Article by Professor B. Rayzberg, doctor of technical and economic sciences and chief scientific associate of the Scientific Research Economics Institute of the USSR Gosplan: "Reader Responds: The 'Case' of the 150 Billion"]

[Text] Official figures on USSR military expenditures for 1989 were published for the first time in ARGUMENTY I FAKTY No. 45 for 1990. According to them, the overall annual military expenditures amounted to a total of 78 billion rubles [R].

There is reason to assume that the figures given in ARGUMENTY I FAKTY are fairly precise "line by

line"—at least in so far as they can be established by the existing imperfect statistics. But still on the whole they are far from complete.

Thus, the table does not give the expenditures on the operation of arms, which in the United States, for example, amounts to about $80 billion a year (ARGUMENTY I FAKTY gives only expenditures on technical service and repair in the amount of R3.5 billion).

The research and development mentioned in the table pertains to models of military equipment for individual branches of the Armed Forces. But there is also basic and applied military research conducted by academic and branch institutes and financed from the state budget.

Nor do the military expenses include expenditures on training specialists to work in the defense branches of industry or military training in civilian educational institutions.

The figures given do not include data on capital investments in defense branches of industry financed from the state budget, including funds used for the development of the national economy. There are no figures on the expenditures of these branches for maintaining military secrets.

It should also be noted that figures on material expenditures for military purposes have to be lowered because of the fact that the materials are delivered to the military departments at special prices. The subsidy is also paid for by that same state budget but it does not come under "military" expenditures.

The table also bypasses losses related to selling land and natural resources for military facilities (and the ecological consequences) and taking military servicemen away from work in the national economy.

True, for the sake of fairness one must exclude from the military expenditures on maintaining the Army and construction that proportion that goes for the aid the Army renders to the national economy.

If we add to the figures on USSR military expenditures given in ARGUMENTY I FAKTY all those items that are not taken into account in them, it turns out that the figure of R140-150 billion a year more fully reflects the real expenditures.

The same thing is shown by an estimate made in another way. Since the overall annual volume of products of the defense branches of machine building is no less than half of the overall output of the machine-building complex, which equals R300 billion, the defense complex accounts for R150 billion. Eliminating from the output of the defense branches the consumer goods they produce (approximately 40 percent), we see that the annual military output is roughly R90 billion per year. And another R50-60 billion goes for maintaining Army personnel, operational and economic expenditures, and military construction. **Again we end up with R150 billion.**

Nuclear Waste Reportedly Stored on Kildin Island

AU0204115391 Cologne Deutschlandfunk Network in German 1100 GMT 2 Apr 91

[Text] According to information from the Norwegian environmental foundation Benona, the Soviet Union is storing nuclear material from nuclear-driven submarines on the island of Kildin off the coast of northern Europe. Norwegian radio stated today that environmental activists have verified information provided by a KGB officer at a meeting at the beginning of this year. This is the fifth waste disposal site that has become known in this region. The authorities in neighboring Norway were not officially informed.

Baltic Republics

Estonia's Ruutel Interviewed on U.S. Talks

LD0204183191 Tallinn Domestic Service in Estonian 1100 GMT 2 Apr 91

[Studio Interview with Arnold Ruutel, chairman of the Estonian Supreme Soviet, by announcers Sulev Hallik and Gunnar Paal; from the "Peak Hour" program—live]

[Excerpts] This is Tallinn. It is 1400 and "Peak Hour" is on the air. This is a top-level broadcast because it deals with the meeting [on 29 March] between Arnold Ruutel, chairman of the Estonian Supreme Soviet, and U.S. President George Bush in Washington. Arnold Ruutel, is in our live relay studio and will answer questions by our announcers Sulev Hallik and Gunnar Paal. [passage omitted]

[Ruutel] During our conversation we dealt with a number of issues, of course, and most important of all, relatively speaking, the issue of talks [with Moscow]. I presented our Estonian position on the issue of talks. I explained that we have not laid down any specific preconditions which could be seen as an obstacle to the talks. I also did this on behalf of Latvia and Lithuania because I spoke to Landsbergis and Gorbunovs prior to departure, so I had a certain authority to voice their opinions. In other words, this was to draw attention to the aspect—talked about so often—that it is impossible [for the USSR] to open talks because the Baltic states are presenting such difficult preconditions. Our precondition is that the talks should be on the subject of becoming independent, and that first, there must be talks on defining our political status. [passage omitted]

First, both the president and the secretary of state voiced full support for the Baltic states becoming independent and they are continuing to recognize the nonrecognition policy which has been the line for decades, but this has reached a new level now that we are discussing it at this kind of level—like this meeting—completely officially. This recognition manifests itself in several new ways, even these very meetings here. [passage omitted] The world, the whole world is worried about this [breakdown of the USSR]. This is why they emphasized that this is their primary position, and I on my part assured them that we completely understand and support this policy, because we, too, are interested in the peaceful development of democratic processes in the USSR, through dialogue, the USSR being our next door neighbor. We are still economically dependent on the USSR and we are closely associated socially in that different USSR peoples and Russian people live in large numbers in Estonia and in the Baltic states. [passage omitted]

In essence we could indeed say that the most important aspect of our meeting was—well, we discussed many issues as I said and we agreed on many—that our conceptions coincide fully. The present USSR leadership should begin to understand that this conception is absolutely realistic and that it is high time they took action on it, because when Gorbachev resolves the Baltic issue he will also free himself of a grave historical crime inherited from the Stalinist USSR and he will then win the support of the domestic USSR democratic forces. He will also regain the trust of the international public at large and of other states because he would in that case be seriously pursuing the essential process of democratization and the old-guard forces who seek to restore the old era—I would say—will be forced to agree, to agree with today's political realities.

Well, this was perhaps the most important aspect of our conversation which we were left with as we said goodbye and we completely unanimously understood its reality. It is important that the USSR and its leadership—as well as other sections—acknowledge this understanding. [passage omitted]

[Paal] Today's RAHVA HAAL says that Arnold Ruutel was received as a president of a foreign country. Was the Estonian flag also flying in front of the White House? Raivo Luik has telephoned to ask this question.

[Ruutel] Well, this also constitutes a kind of a new stage and a very important development because a firm protocol exists governing relations between states which, as a rule, is not deviated from. The fact that the blue, black and white flag was flying everywhere and that we were photographed with Mr. Baker between the U.S. and Estonian flags, and that other protocol requirements were met, this means to quite a large degree—well, let us say the word straight out—recognition of the Republic of Estonia.

[Hallik] I also wanted to ask about this once more because until recently a U.S. official was not able to meet Estonian officials, is that not right?

[Ruutel] And there were no visits of this kind at the official level made to Estonia. Of course we cannot yet view this as meaning that the Republic of Estonia has now been recognized—this is not how one should interpret things at the moment—but a clear sign has been given that progress is being made in this direction.

[Hallik] This is evidently also to a certain extent a sign—a very noticeable and forceful sign—to the USSR central authorities?

[Ruutel] I believe so, too. In other quarters, too, conclusions can definitely be drawn from this. [passage omitted]

[Paal] Did you agree on or was there any talk of deadlines and factors for next steps to be taken?

[Ruutel] We did not agree on any deadlines because everything depends on the political processes; those which are taking place here now: How in fact the talks with the USSR will go for us, and other issues. But a bridge has been built that we can move along together, in realistic terms, and without causing any damage—I would rather like to highlight this point—to the situation in the USSR. [passage omitted] I envisage that our

legislation will create opportunities for Estonians living abroad to feel themselves at home here whenever they visit their homeland; so that they do not feel like strangers, whether it is talking about owning a summer house or an apartment, but so that they indeed feel at home. [passage omitted]

[Hallik] Was there also talk in the United States on the nationality issue and do they understand our situation properly? Mrs. Hal Jasmaa asked this question.

[Ruutel] Yes, there was, and at different levels, including the top level, on the subject of what has been happening in Estonia since 1940. I gave the reason that this is the only way we can and must view the issue [of large numbers of Russians living in Estonia] because one cannot have a cut-off point in time somewhere and then say that from this time only, say, it is correct and that we will observe human rights from there on. I got the impression that they understood and supported this completely. I presented this issue in the same way to Gorbachev, too, when I met him at the end of January.

At that time I presented a possible program which could be implemented very humanely and realistically. However, this is a separate issue and evidently in the course of the talks we will come to this specifically. It is presented as a separate issue within the treaty with the RSFSR for example, where it says that we will resolve this issue with a separate treaty. [passage omitted]

Estonia's Ruutel Assesses Effect of Referendum

91UN1178A Moscow LITERATURNAYA GAZETA in Russian No 12, 27 Mar 91 p 1

[Report on interviews with Vladimir Grinev, deputy chairman of the Ukrainian Soviet Socialist Republic Supreme Soviet, and Arnold Ruutel, chairman of the Estonian Republic Supreme Soviet, by unidentified LITERATURNAYA GAZETA correspondent; place, date not given; published under the "Express Interview" rubric: "There Are No Obstacles to the Treaty"]

[Excerpts] **1. Your reaction to the results of the 17 March referendum?**

2. How do they affect the fate of the Union treaty? [passage omitted]

Arnold Ruutel, chairman of the Estonian Republic Supreme Soviet:

1. It is not fitting for me to comment on the poll results, inasmuch as the Estonian Republic did not take part in the referendum. However, it did not hinder those USSR citizens living on Estonian territory from expressing their will. If we are talking about the results of their participation in the referendum, these results are quite natural, as is the will of the majority of the Estonian population, which was expressed in the republic referendum of 3 March: Estonia once again should become a free and independent state.

2. It seems to me that there are no obstacles to keep from signing this treaty those republics whose people came out for preservation of the Union. I simply want to recall the Russian proverb: "You can lead a horse to water, but you cannot make it drink." It is not necessary to push toward the treaty, even at times with brute force, those who do not want it.

We are ready for the closest possible contacts and cooperation as equal partners with a renewed federation which is joined voluntarily by the republics or states. We have been ready for a long time to sit down at the negotiating table with the leadership of the Soviet Union in order to resolve problems existing between us, but, after the usual announcements about an agreement to hold negotiations, we more than once ran up against a refusal to begin them in earnest.

Estonian Legislative Administration Amended

PM2803163591 Moscow IZVESTIYA in Russian 23 Mar 91 Union Edition p 2

["Direct Line" report by Leonid Levistkiy: "Change of Presidium"]

[Text] Tallinn—The new Estonian Supreme Soviet Presidium has held its first session. It discussed the question of how it is to become a collegial government organ.

Voters are increasingly criticizing the legislature's activity. Legislators have expressed their discontent at the Supreme Soviet Presidium's activity. Those who were discontented insisted on reorganization, which has been described not merely in jest as a legislative "coup."

Almost the entire former Presidium—the standing commission chairmen—have become members of the Supreme Soviet Executive [Pravleniye]. Its task is to help the speaker organize the legislature's activity. A new presidium was formed at the same time. It includes the chairman of the Supreme Soviet, the speaker, two deputy speakers, and seven ordinary members. They were directly elected at the legislative session. The former monopoly enjoyed by the People's Front has been removed. The main political movements are now represented in the Presidium. With its new makeup the Presidium will be a more centrist organ. But deputies from the People's Front do prevail on the Supreme Soviet Executive. And, in the opinion of many, a certain confrontation between the "two heads" is inevitable. There is a third head, too—the Council of Elders—made up of representative of parties and movements. Will such a triumvirate be able to make the legislature's activity more effective?

Estonian 1991 Budget Legislation Issued

914A0469A

For the Estonian 1991 budget legislation published in the 29 December 1990 SOVETSKAYA ESTONIYA, see the JPRS Report Soviet Union: Economic Affairs, JPRS-UEA-91-013, pages 52-56.

No Change in Canadian Position on Latvia

LD0304090691 Moscow TASS in English 0843 GMT 3 Apr 91

[By TASS correspondent Valentin Vasilets]

[Text] Ottawa April 3 TASS—Canada has not changed its position on Latvia, Canadian Foreign Ministry spokesman Guy Arshambault told TASS, commenting on a report by the Latvian news agency that "the Canadian Government recognised Latvia's independence de jure".

"We have always recognised the independence of the Baltic republics de jure," the spokesman said.

In response to a message by Deputy Chairman of the Latvian parliament Krastins, Canadian Foreign Minister Joseph Clark sent a letter, reiterating Canada's position.

Told that officials in Riga interpreted the letter as a shift in Canada's position on the issue, the spokesman said that "there is no shift whatsoever".

"We recognised and recognise Latvia's independence de jure, because we have always considered its annexation illegal. However, we recognise de facto that Latvia is controlled by the Soviet Union and that its government lacks all the attributes enjoyed by the government of a fully independent state," he said.

Because Latvia is not a fully independent state, Canada's position remains unchanged, Arshambault said.

Gorbunovs Urges Accord on Soviet Forces Status

LD0204175491 Riga Domestic Service in Latvian 0430 GMT 2 Apr 91

[Text] The chairman of the Supreme Council has once again called for the conclusion of an agreement on the status of the Soviet Union's Armed Forces in Latvia. Anatolijs Gorbunovs, chairman of the Supreme Council of the Republic of Latvia, said that the situation with regard to the Armed Forces of the Soviet Union in Latvia has normalized. However, he called it a necessary step in clarifying these relations to conclude an agreement on the status of the armed forces on Latvia's territory, as well as a guarantee of full information to the government of the republic on the number, deployment, occupied territory, and so on of the Army.

Latvia's Godmanis Reaffirms 'Own' Pricing Policy

LD2703225191 Moscow TASS International Service in Russian 1725 GMT 27 Mar 91

[By TASS correspondent Galina Kuchina]

[Text] Riga, 27 Mar (TASS)—"We have had our own prices and our own tax system since 3 January, and it is these which we shall continue to follow," Ivars Godmanis, chairman of Lativa's Council of Ministers, has stated. The agreement between the USSR and the republics on a price reform from 2 April does not bear the signature of the prime minister of Latvia, any more than it does those of the heads of government of Lithuania and Estonia.

Although the Cabinet of Ministers' stand is clear, the inhabitants of Latvia have quite a few questions, for, according to the USSR president's decree, republics are supposed to cancel state prices which exceed Unionwide ones. The prices of basic foodstuffs in Latvia today are higher than the prices under the new list which is being introduced in the USSR in a week's time. Vladimir Busev, director of the department for prices, has been forced to explain: The cost of goods which are cheaper in Latvia, such as tea and sugar, will be raised to the Unionwide ceiling, but those which are dearer will not be reduced.

This means that, with equal incomes, the Latvian consumer will empty his purse more quickly than a Russian or a Ukrainian. As for compensation, pensioners, students, and families with children here are receiving more modest allowances and additional payments.

The protocol establishing a single social support fund does not bear the signature of Latvia's representative either, or those of another six republics. It is intended mainly to finance the region of Central Asia, which supplies the remaining territories with valuable raw materials. "Latvia simply does not have the 2.2 billion rubles required of it, because its entire annual budget reaches only 2.9 billion," Ivars Godmanis stressed in a television interview. He went on: "We are not refusing to participate in common programs. We are able to give around 470 million, but we are incapable of deducting what we simply do not have." The premier stated that they are already having to buy raw materials at prices which have leapt up several times over. Therefore, the revenue from the output of finished products is not so high. But if Latvia's refusal to allocate to the common purse a sum which it cannot afford leads to an increase in the cost of raw materials, then "hard times await us," he noted. Godmanis believes that all the expenditure will have to be incorporated into the cost of finished products, and this will cause another rise in prices.

Latvian Legislature Adopts Minorities Law

PM2203150791 Moscow IZVESTIYA in Russian 22 Mar 91 Union Edition p 1

[BALTFAX report: "Latvia—Law Against National Discrimination"]

[Text] On 19 March the Latvian legislature, after a lengthy debate, adopted the final version of a law guaranteeing equal rights for all Latvia's national and ethnic minorities, the BALTFAX agency reports.

The law, which should enter into force 1 May this year, provides for equal rights to work, education, the creation of national cultural societies, and so forth, and also

punishment for any actions which sow national hostility and place one nation above another.

During the debates it was decided to include in the law a point giving each inhabitant of the republic the right to choose freely, in accordance with his own decision, whether or not to indicate his nationality in documents. The Latvian republic's Council of Ministers has been instructed to elaborate the system for this procedure.

Latvian Legislature Views Agricultural Issues

LD2703180191 Moscow TASS in English 1427 GMT 27 Mar 91

[By TASS correspondent Valeriy Zaytsev]

[Text] Riga March 27 TASS—A total of 393 million roubles is needed for the implementation of agrarian reform in Latvia. The deficit of the Latvian budget in the current year will increase by at least the same amount of money in connection with free prices and the growth of taxation and interest rates.

These problems were discussed by a session of the Latvian parliament on Tuesday when the draft decree "on the ensurance of the agrarian reform. [incomplete sentence as received]

The republican government proposed a steep rise in the purchase prices of milk, meat, grain and sugar beet. Latvia produces only some two-thirds of the grain it needs, the rest being supplied by the Union.

To stimulate farmers' productivity a tax cut was proposed on farming economies from 37 to 19 per cent, as well as the submission of the programme for privatisation of agricultural economies to parliament.

Latvian Prime Minister Ivars Godmanis told a recent news conference that farmers' economies are promising and that 90 per cent of land will be returned to the former owners.

But what is to be gained from this? Secretary of the Latvian Communist Party Central Committee Vladimir Rymashevskiy said, nearly 1.5 thousand farmers (one in five) own less than ten hectares of land.

The food problem can hardly be resolved in this way. Even in the Russian Federation the average individual plot makes up 46 hectares.

The budgetary deficit in agriculture will amount to at least 400 million roubles, and this figure will increase by the end of the year.

USSR-Lithuania Talks in Moscow 3-4 April

LD0204102291 Vilnius Radio Vilnius in Lithuanian 0800 GMT 2 Apr 91

[Text] The Republic of Lithuania Supreme Council Information Bureau reports that the state negotiating delegation of the Republic of Lithuania held a session with the Soviet Union late yesterday evening. They discussed the preparation for the meeting in Moscow on 3-4 April to resume the dialogue which began in the fall of 1990 and which the Soviet side broke off. Some other issues were also discussed. It was said that a representative of the Soviet delegation confirmed by telephone the agreement on the meeting in Moscow on 3-4 April.

The first meeting of the working groups will take place in the Lithuania Mission in Moscow, and the second meeting of the delegations will take place in the (?Kremlin).

Working Groups Meet

LD0304105991 Vilnius Radio Vilnius in Lithuanian 0900 GMT 3 Apr 91

[Excerpts] A meeting of the working groups of the Lithuanian and USSR state negotiating delegations began at the Lithuanian mission in Moscow at 1100.

Correspondent Roma Pakeniene reported from Moscow at that time:

[Pakeniene] [Words indistinct] the meeting in Moscow started at 1100 as planned. This is a preliminary meeting of the working groups. As in previous meetings, their aim is to prepare for the meeting of the negotiating delegations. This means that first of all the principle issues of the agenda have to be coordinated, as well as certain procedural matters. Another issue to be solved at the meeting is that of the composition of the negotiating delegation: it seems that there are changes in the composition of the USSR delegation. [passage omitted]

There are 17 people on the Soviet Union's side. The list was handed in to the representatives of Lithuania only late yesterday when they arrived in Moscow. The Soviet Union's working group consists of rather high-ranking officials such as S. Lushchikov, USSR minister of justice, and the representatives from the Ministry of Internal Affairs, nuclear power engineering, the USSR Planning committee, and other departments. By the way, Justice Minister Lushchikov is also a member of the Soviet Union's delegation.

Despite the large size of the USSR working group, it seems that the powers of the group are the same as those of the Lithuanian group that is to prepare tomorrow's meeting. Today at least Lithuanian representatives have no doubts that this meeting will take place. I would like to remind you that the meeting of the delegations is to take place in the Kremlin at 1100 tomorrow.

Bickauskas Cited on Talks

LD0304031391 Vilnius International Service in Lithuanian 2100 GMT 2 Apr 91

[Text] Lithuania's permanent representative in Moscow, Egidijus Bickauskas, has repeated the thought—often repeated in the past—that negotiations between

Lithuania and the Soviet Union will be long and difficult. A position of strength is how Egidijus Bickauskas described Moscow's accusations that Lithuania is hindering the renewal of negotiations with prior conditions. In an interview with Lithuanian Radio, he stated that Lithuania's desire for parity-based negotiations and for the Soviet Union abstaining from use of force against Lithuania during the course of negotiations is not a prior condition of any sort.

In Egidijus Bickauskas' opinion, Lithuania must start negotiations, even if the Soviets continue to occupy the important buildings they have seized in Vilnius. This opinion does not coincide with the recently proclaimed Lithuanian stance that negotiations can only begin following Soviet withdrawal from the occupied buildings.

Egidijus Bickauskas asserts that Soviet propaganda which says Vilnius does not want negotiations is exerting influence over both Soviet and Western societies.

Landsbergis Receives Letter From Secretary Baker

LD3003234791 Vilnius International Service in Lithuanian 2200 GMT 30 Mar 91

[Text] According to information we have received today, the chairman of the Supreme Council of the Republic of Lithuania, Vytautas Landsbergis, has received a letter from U.S. Secretary of State James Baker. This constitutes a reply to the letter sent by Vytautas Landsbergis to President George Bush, on 2 March and a letter to the secretary of state, which was presented by Lithuania's permanent representative in Moscow, Egidijus Bickauskas, during the meeting with Secretary of State James Baker on 16 March.

The President and I were insulted by the Soviet attempt to use force and intimidations against the nations of the Baltic states and the violence that took place in January. Both he and I have clearly stated to the Soviet leadership on several occasions that such behavior will not yield results and that its consequences will be very serious for cooperation between the United States and the Soviet Union, says the letter.

Having observed that the United States fully supports the aspirations of the Baltic countries for self-determination of their future, the secretary of state expressed his conviction that the only practical means of attaining this can be found in peaceful dialogue.

James Baker also noted in the letter that during the course of his conversation with the Soviet president and foreign minister he urged the beginning of such a dialogue.

The referendums by Lithuania, Latvia and Estonia have clearly demonstrated the view of the Baltic nations. The Soviet referendum of 17 March does not alter the expression of the will of your nation by any means. Any attempts to use the results of this referendum as a substitute for political dialogue will only contribute to augmenting the tension, it further states in the letter.

Having emphasized the fact that the United States does not and will not renounce its support of the Baltic nations' rights to self-determination and its nonrecognition of the forced incorporation of the Baltic countries into the Soviet Union, James Baker expressed his fascination with the restraint demonstrated by the Lithuanian people in the face of violence.

Peaceful political dialogue is the best means of securing Lithuania's aspirations and we shall not cease efforts to have this brought about, says the letter from United States Secretary of State James Baker to Vytautas Landsbergis chairman of the Lithuanian legislature.

Lithuania's Vagnorius Telegrams Doguzhiyev

LD0304015191 Vilnius International Service in Lithuanian 2100 GMT 2 Apr 91

[Text] A telegram sent by Lithuanian Prime Minister Gediminas Vagnorius to Soviet First Deputy Prime Minister Vitaliy Doguzhiyev has been made public. It is a reply to a 31 March telegram, which had not been published. In addition to other matters, the Lithuanian prime minister's telegram notes that the conflict between the Soviet Union and Lithuania has been protracted; and the Soviet Union is not only contradicting the aims and aspirations of the Lithuanian nation but is also going against the global interests of the Soviet Union itself, for which reason the Soviet Union's internal contradictions are also augmented.

Following the reception of certain guarantees, the Republic of Lithuania could take into account, with great understanding, the most important economic and political interests of the Soviet Union, states Gediminas Vagnorius in his telegram. It reaffirms that the Lithuanian Government is in favor of free and close economic ties with the Soviet Union and with all its republics, and for direct enterprise ties.

A common Soviet Union and Lithuanian market has more similarities than artificially constructed economic and administrative barriers, as much in Lithuania's eastern as in its western areas.

The telegram provides information concerning the initiated principles of economic reform.

Prime Minister Gediminas Vagnorius proposed to the Soviet deputy prime minister to discuss, on a government level, how the economic mutual relations should be regulated, and he noted the expediency of interstate economic agreements and accords.

Vilnius Doctor Contradicts Yazov on Casualties

LD3103145991 Vilnius Radio Vilnius in Lithuanian 1700 GMT 30 Mar 91

[Interview with Vytautas Nekrasius, department head at Vilnius Red Cross Hospital, by unidentified correspondent in Vilnius—live or recorded]

[Excerpt] [Passage omitted] [Correspondent] Esteemed department director, it seems that very recently we saw a Central Television "Who's Who" program, in which Dmitriy Yazov—a marshall, the minister of defense—cynically declared that on 13 January no one fired any shots in Vilnius, that there were no victims, and so on. Well, could all that have really been a fabrication? After all, you happened to be on duty that night, what did you see? What did you experience that night?

[Nekrasius] Well, you see, it is a pity that I myself did not watch the Yazov interview since I happened to be in the operating room at the time, but as I have already told the Russian radio program's editorial office it did happen to be my turn to be on duty that night and it was up to me to receive those patients and we received several dead bodies—among them was the body of Titas Masiulis and the body of the paratrooper who had been killed by gunfire. Here were two bodies of people who had been shot.

Also, there were about 60 wounded people—people suffering from head injuries, sustained from blows to the head. Ah, also with gunshots, with gunshot wounds. There were also those who had been run over by tanks. Loreta Asanaviciute, who was brought in still alive, died at the hospital. Her legs and pelvis had been run over by a tank track and she died following surgery. The surgeons could do nothing.

It seems to me that this statement [by Yazov] is both cynical and does not coincide with reality, especially in view of the fact that many people witnessed this, and the video tapes—that is the video tapes [word indistinct] of precisely this event and—well, words simply fail me for this.

[Correspondent] Well, you stated at the beginning of this conversation, you did not see and did not hear this interview but simply visualize what you would experience after hearing such words, since you were a first-hand witness, I would say, of these events.

[Nekrasius] Well, you see if I had not lived for so many years in the society in which we live I would think this is a [word indistinct] of fantasy and that this could not be happening at all, and that the individual does not know or that this interview was made several years ago when [words indistinct]. However, keeping in mind the current situation and the position of the Soviet leader, well what more, except to throw up one's arms and say it is an obvious lie.

Vilnius Commandant Denies OMON 'Brutalities'

PM0304093991 Moscow KRASNAYA ZVEZDA in Russian 30 Mar 91 First Edition p 2

["Direct Line" report by Captain Second Rank V. Gromak: "But Was There Any OMON Involvement?"]

[Text] Vilnius—Last week's local newspapers carried sundry statements and descriptions of "brutalities by OMON [special purpose militia detachment] thugs in the streets of Vilnius." Here, for example, is an item carried by the Lithuanian Radio broadcasting studio: "Gintaras Kunigelis, a citizen of the republic, was captured by the OMON today. The OMON men beat him up with rubber truncheons and took him to the military commandant's office where he was subjected to further beating. Now he is in a hospital, having been diagnosed as suffering from concussion and other injuries. The main reason why he was detained and beaten was apparently the fact that he has not done his Army service, although he is already 25 years old and has two children."

Yesterday the republic's Council of Ministers also made a statement to the effect that armed OMON men are roaming around Vilnius and beating up people.

I telephoned the Vilnius Garrison commandant's office regarding the Kunigelis case.

"A downright provocation," Colonel G. Belous, military commandant of Vilnius Garrison, said.

I also learned from other competent sources that there was not a single OMON man in the city either yesterday or the day before.

OMON Protests 'Lies,' 'Terror' Campaign

LD0204154691 Moscow All-Union Radio Mayak Network in Russian 1400 GMT 2 Apr 91

[Text] A campaign of lies and psychological terror against members of the Special Purpose Militia Detachment, OMON, which is going on in the independent media of Lithuania, has become the subject of discussion at the general meeting of the republic's OMON of the USSR Internal Ministry. It has been stated at the meeting that some deputies of the Lithuanian legislature have become organizers of this campaign. Their purpose is to create, in the minds of the republic's population, a rigid enemy image in the person of OMON, in order to distract the attention of Lithuanian citizens from the socioeconomic problems from which the republic is suffering.

Vilnius Paper Describes Pro-Yeltsin Rally

PM0204140991 Vilnius EKHO LITVY in Russian 19 March p 2

[Report by R. Oserov: "Democrats of All Republics, Unite!"]

[Text] A rally organized by the Democratic Labor Party, the Social Democratic Party, the Democratic Party, the "Greens" Party, the Workers' Union, and "Sajudis" was held at 1500 hours on Saturday, 16 March in Independence Square in support of Russia's democratic forces. The rally was attended by guests from Belorussia, Russia, and the Ukraine.

The speeches were not distinguished by any special variety: They branded communists as "the Red terror" and "Red fascism," they slated Gorbachev and the Union Treaty, and they praised Yeltsin and Novodvorskaya, expressing the hope that the "evil empire" would soon collapse under the democrats' persistent blows. Speakers from our republic thanked the Russian representatives for their constant support for Lithuania's independence aspirations, and the guests for their part gave thanks for the graphic lessons in democracy and the help given by the Baltic region—by Lithuania in particular—to progressive movements in Belorussia, the Ukraine, and Russia, calling this help a "fresh wind from the Baltic."

There were many speakers: C. Jursenas and A. Kuncinas from the Lithuanian Democratic Labor Party, V. Zaborskis from the Lithuanian Democratic Party, N. Sadunaite from abroad, V. Maslennikov from Snieckus, members of a booksellers' society from Siauliai, RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Deputy V. Kamchatov, V. Yakovlev from Grodno, A. Kolyada, an emissary from Rukh, and Svetlana Brazene, a representative of the Donbass democratic bloc, who was on the fourth day of a hunger strike at the seized Lithuanian radio and television building. Her speech was distinguished by high emotional intensity and was warmly received by the audience.

From time to time, at the proposal of Social Democrat A. Abromaitis, the rally organizer, the crowd chanted "Le-tu-va," "Rusiya," "Uk-ra-i-na," and "Yeltsin, Yeltsin!" in friendly fashion. Toward the end of the rally Kudirka 's "National Song"—the anthem of the Lithuanian republic—sounded out majestically over Independence Square, taken up powerfully by the hundreds of voices of the participants in the rally.

I would like especially to note that there was much talk about nothing being achieved on one's own and the need to help one another, and there were calls for the unity and cohesion of all the democratic forces. And here the somewhat forgotten word "internationalism" came to mind...

Lithuanian Paper Publishes Data on Soviet Troops

LD3003000691 Vilnius International Service in Lithuanian 2200 GMT 29 Mar 91

[Text] In a relatively short period of time the CPSU organization located within the Lithuanian KGB section has lost more than 150 members, while ten of the KGB staff members have come out against the preservation of the Soviet Union during the course of that country's referendum on 17 March.

This is asserted in today's issue of the newspaper RESPUBLIKA by an anonymous KGB staff member.

In addition, on the basis of data provided by this informer, the daily RESPUBLIKA has published the names of the Soviet Special Purpose Militia Detachment soldiers who betrayed the Lithuanian police on the eve of the bloody January events. The list contains 33 individuals and the state license numbers of the vehicles they used in carrying out their black deeds.

Media Told of Plans To Boost Lithuanian Army

PM0304090191 Moscow KRASNAYA ZVEZDA in Russian 30 Mar 91 First Edition p 2

["Direct Line" report by "our correspondent": "Warrant Officers for Landsbergis"]

[Text] "Our aim is defend Lithuania, to defend the motherland!" That was the bombastic statement made by A. Butkevicius, general director of the Territorial Protection Department, at a meeting with journalists. Chairman Yezerkas, commander of the training subunit, and I. Gechas, chief of staff of the volunteers, attended the meeting with him. The department's structure also includes another two subdivisions—the border guard service and the protection of important installations. But their leaders, as Butkevicius explained, were busy on urgent matters and were unable to talk with journalists.

The conversation at the meeting concerned those who have decided to devote themselves to work in the department's various services. For example, the training subunit which prepares warrant officers is primarily recruiting people who have already served in the Army. Journalists were shown how topography and communications are studied and the way hand-to-hand combat is practiced. Incidentally, the training was conducted by P. Kastyatskas, three-time champion of the Airborne Assault Troops in hand-to-hand combat.

The Territorial Protection Department leadership's intention is that warrant officers should constitute the backbone of its formations.

Their own officers corps will also be trained. It is planned that regulations for the procedure of awarding ranks will soon be submitted for the government's consideration. Courses for officers, attended by 40 persons, are already under way in Kaunas, for example. It is assumed that candidates with higher education will be offered a chance to prepare by themselves and then take qualification examinations.

The Territorial Protection Department plans to recruit 10,000 more people this spring.

Passport Change Poses Problems for Lithuanians

PM2203143191 Vilnius EKHO LITVY in Russian 13 Mar 91 p 4

[Unattributed report: "Lithuanian Foreign Ministry Report"]

[Text] The Lithuanian Foreign Ministry Consular Department informs us that receipt of applications from the republic's organizations and departments for foreign business trips is temporarily restricted due to a shortage of new blank USSR foreign passports. Citizens with passports and exit documents in respect of business trips will be processed as normal.

We can disclose that this situation has arisen because the USSR is beginning to use new-style blank foreign passports and is stopping production of the usual blank passports that we have hitherto used. The new-style blank passports should be submitted to foreign states and border services according to established procedure. The procedure for legalizing the new passports will take roughly a month. Regrettably, as long as we use USSR foreign passports all the USSR's problems also have a severe impact on us.

Lithuanian Legislature Endorses Republic Budget

LD2903224291 Moscow TASS in English 2152 GMT 29 Mar 91

[By TASS correspondent Kazis Uscila]

[Text] Vilnius March 30 TASS—The Lithuanian parliament approved on Friday after a long debate the republican budget for the current year, submitted by the government.

Last week the government submitted a blueprint of the budget to the sum of 5.7 billion roubles, which, according to its authors, was orientated mostly to the social sphere: it was planned to channel 52 per cent of it into the compensation for the growing expenditures of the population as a result of the growth of retail prices.

Despite this fact, the blueprint of the budget was strongly criticised by some deputies, and after the discussion the expenditures on some items of the budget were reduced by 10 per cent on the average.

Starting with this year, Lithuania's budget will be totally separated from the budget of the Soviet Union. All taxes and revenues collected on the territory of Lithuania will not go to the Union budget, Audrus Rudis, chairman of the permanent parliamentary commission for the budget, told TASS. On the other hand, Lithuania will now take upon itself the expenditures that previously were made by the centre all over the country. Specifically, it will finance the Interior Ministry, public prosecutor's offices and a number of other spheres.

Lithuanian Premier on Economic Policy

PM2603144091 Vilnius EKHO LITVY in Russian 14 Mar 91 pp 1, 4

[ELTA report: "Landmarks in Economic and Social Policy"]

[Text] As has already been reported, Prime Minister Gediminas Vagnorius delivered a report about the Lithuanian Republic's economic and social policy at a Lithuanian Republic Supreme Soviet gala session 11 March.

We offer readers an account of this report.

At the same time as proclaiming the restoration of independence, we declared: The state of Lithuania is for the benefit of people, the speaker emphasized. We began building a rule-of-law and economic state, setting about quickly elaborating laws on the economy. The Law on Enterprises was presented to parliament for the first time on 9 April, when less than a month had passed since the 11 March Act's proclamation. It is apparent that a resolution on the procedure for bringing into force the Law on the Initial Privatization of State Property will be adopted tomorrow. This is one of the cornerstones of our economic laws. We are already turning away from a legal model, that is from elaborating rules for management, to practical matters.

When we set about this work, we first of all came up against the problem of the individual, a peculiarly bolshevik phenomenon: We can no longer work profitably. However, we will not escape the disorder by just moaning and complaining. We need such conditions as will force us to change, and confront us with the need to work productively and profitably. We will be forced to adopt the market economy as it is—with all its inherent pluses and minuses for Lithuania. There simply is no other way, G. Vagnorius said.

At the present time a state program of market regulation is being elaborated, which will soon be presented to parliament and the public. In it we want to flesh out how people and enterprises will work and conduct business in a new way; how regulation aided by economic levers backed up by laws, and not some kind of diktat or caprice, will be implemented; what our pricing, financial, and social policy will be, as well as policy in other spheres of the economy.

In our view it will take approximately 12 months to begin to do business and live in a new way. We are stating this today before the Supreme Soviet and all Lithuania, the speaker emphasized.

Wages over the past year rose, and are on average about 300 rubles [R]. Unfortunately, this money is not covered by goods. When reconstructing the economy, we should bring prices into line with the supply of goods.

It is not Lithuania which is to blame for this price hike in the market, which is closely associated with the USSR's

financial and economic system. It was not Lithuania which provoked the emission of money, and increased the internal debt. It is not Lithuania which has doubled or trebled the price of raw materials and other resources bought in the Soviet Union since the beginning of the year. With the price hikes in the Soviet Union, prices also rose here.

However, we are striving, and will continue in the future to try to compensate the population to the maximum degree for losses incurred, especially those caused by the hike in the prices of essentials. Provision has been made to appropriate R3.5 billion in subsidies and compensation alone in the draft budget for the current year, which amounts to about one half of the budgetary funds.

Several leaders of enterprises and academic economists demand an immediate move to market prices. If we announce free prices in such an assertive manner, absolute chaos will break out not only in the goods market, but also at the production level. The government is attempting to instigate a fairly quick price reform, but in such a way that everybody at the same time prepares themselves for it as they should—in a consistent manner and in several phases. It is envisaged that we will begin to introduce a real market price system before the summer. At the moment, the price reform's preliminary phase is in progress, during which we are gradually relinquishing subsidies in manufacture and bringing the profitability of production relative to capital into line with the level of prices and wages in various sectors of the economy.

Having frozen the new level of prices for a month or two and having come to an agreement on a social compensation mechanism for the population over this period, comprising first and foremost new wages, pensions, and allowances, we will be able to take the next step in the reform process: to derestrict prices. We should introduce market prices, a new price scale not just in certain sectors of industry or in enterprises, but in an orderly manner in all spheres.

The new price system is also necessary for producers of agricultural produce and foodstuffs. However, this will require enormous resources. The government is at present striving to improve the financial situation of agricultural enterprises. Concessions on taxes and deductions have been instigated. In the near future, much higher prices for grain, sugar beet, and other products of the coming harvest will be approved; a little later, the price of meat, dairy, and other produce will be increased.

It would be impossible to increase at one and the same time the price of consumer goods and purchase prices, on which the level of compensation for people is calculated. However, with the price hike in essentials, we will endeavor to see that compensation is also paid out to farmers for a few months.

We want to emphasize yet again and assure all the rural population, G. Vagnorius said, that we will not destroy the existing production structures by force. The farmers themselves should choose their own system of management. Collective farms will exist so long as they are efficient. However, if either state joint-stock industrial enterprises or collective agricultural enterprises become unprofitable because of poor labor organization, they will be wound down or reorganized.

The government also is making efforts to even out conditions for economic activity and labor remuneration in the state and private sectors, in the production and nonproduction spheres.

It is very important for Lithuania's economy to rationalize and widen its economic ties with nearby as well as distant markets. Therefore we are trying to gradually change our production structures in order to lessen our dependence on the USSR's monopoly on raw materials. A search is going on to find alternative raw material sources. However, this does not mean that we are breaking economic ties with the USSR. One of the most important aspects of the government's policy is to maintain good economic, trading ties with the USSR republics, and also with the central economic departments. At the same time, economic collaboration with the states of Western and Eastern Europe and other foreign countries is being extended.

During the period of moving to a market economy, the government will pursue an active policy to maintain the level of employment of the work force, provide financial support to create new jobs, and, if necessary, make plans to take bureaucratic measures which allow the preservation of existing jobs. Even state capital may be successfully used in this period to regulate the economic balance and resolve employment problems. In the years 1991-1992 it should as before account for 40 percent of the entire property in the production sphere. It would be an unforgivable mistake to reduce the share of state property. We should consider the interests of the renascent state as a priority during the period of privatization.

At present, the majority of Lithuania's inhabitants, by whose labor the state (social) housing stock was created, do not possess the savings to buy their own apartments. For this reason, we refused to begin to sell state and official apartments until such time as the general law on privatization is adopted and begins to apply. You know that according to this law, it is planned to establish onetime monetary payments to all the inhabitants; these are usually called investment checks. From the financial resources received, apartments will be bought and production property or shares acquired.

At the same time, we should sell off part of the state property for cash, with the purpose of preserving the population's actual savings and covering the internal state debt, which amounts to about R7 billion. It is not simply the presence of rubles which causes danger, but the situation where they are in surplus. That is what we should protect our market from.

And so we ask for one year to do all this work. Over these 12 months we must prove that each of our lives and

living standards does not depend on our nationality or party, but on new technology, work, and a sense of responsibility.

At this decisive time for Lithuania, we ask all social and political forces in the country to desist from political conflict, and particularly from undermining the economy's base, and also to give the government the opportunity these 12 months to work productively in peace and without additional political worries. If we survive this difficult period, we all—all the democratic parties and forces—shall be the victors. If we do not survive, we will lose everything; we will lose Lithuania, the prime minister said.

The government has a clear plan of action. If you support the government, having created, as far as possible, propitious working conditions and social and political conditions, we will be able to extricate ourselves from this mire of poverty. This is the government's main concern and aim, which it will try to secure whatever the political situation.

Vagnorius Cited on Market Relations, Privatization

PM2203163991 Vilnius EKHO LITVY in Russian 15 Mar 91 p 4

[ELTA report: "Meeting With Municipal and Rayon Leaders"]

[Text] Leaders of the republic's cities and rayons met in the government building 13 March with Lithuanian Prime Minister Gediminas Vagnorius; Vice Premier Vytautas Pakalniskis; Statis Kropas, chairman of the Supreme Soviet Commission for Affairs of Self-Management; ministers; and other leaders of government departments.

Speaking about the political and economic situation in Lithuania and the executive's tasks, Prime Minister Gediminas Vagnorius stressed that, in the conditions of constantly increasing pressure from the Soviet Union, Lithuania must reform its economy as rapidly as possible by switching to market relations. In principle the legal foundation for this reform has already been laid. It is only laws on privatization and agricultural societies that are missing and they are soon to be adopted.

The move to market relations, starting with privatization, should take place in a phased organized manner throughout all executive structures, the premier noted. Primary privatization of state property should be carried out first of all. Self-management organs should also be influential in this process during the selection of installations to be affected and when deciding the dates and resolving other related questions. Property belonging to republic departments and self-management organs can then be differentiated. Despite a lack of experience in privatization questions, it should not drag on too long.

The premier also noted that there are enterprises, particularly in the rayons, that have been slow to reregister. If they do not do so this month, the government will be forced to take financial and other measures within its competence against these enterprises to persuade them to do so. He briefed the gathering on the price regulation policy outlined by the government and answered questions put to him.

RSFSR

Further Reportage on Russian Congress 1 Apr

Isayev Addresses Session

LD0204170191 Moscow Central Television Second Program Network in Russian 2048 GMT 1 Apr 91

[Speech by Boris Mikhaylovich Isayev, deputy chairman of the Russian Soviet Federated Socialist Republic, RSFSR, Supreme Soviet, at the Congress of RSFSR People's Deputies session in the Moscow Kremlin on 1 April; from the "Diary of the Extraordinary Congress of RSFSR People's Deputies" program—recorded]

[Text] [Isayev] Esteemed people's deputies, comrades: Ten months ago, you honored me by electing me deputy head of Russia's parliament. I was somewhat surprised. But since I was elected, I had to work. Over the time that has passed, you have probably noticed that I took no part in noisy political campaigns and never struggled to get to the microphone. But according to my experience, knowledge, and political beliefs, I tried to fulfil honestly and conscientiously the obligations I had been entrusted with. It is not for me to judge how far I have succeeded, but I did not spare my efforts. I am an unhurried sort of person by temperament. I say this to emphasize that my participation in the political declaration was neither caused by political opportunism, nor by somebody's suggestion, nor by an interest of the moment. No. It was a profoundly weighed and well considered action of a politician and a citizen who could not act differently, since this is a question of the destiny and the interests of Russia. Comrades, it is difficult, very difficult. I am now in a state in which I can give a mercilessly objective appraisal of myself and my own actions. But if I kept silent now, at this difficult time—and, indeed, it would mean far less trouble—then I would cease to respect myself. At the age of 50, I have lived long enough and experienced much. I can answer without fear, to myself, my conscience, and to you. What is the matter?

Wherein is my disagreement with Boris Nikolayevich's [Yeltsin] policy? I should not wish to repeat our political statement; there is no need of that. I shall dwell only on the most important thing. In the beginning, I was enthusiastic about the activities of the Supreme Soviet chairman. I assumed that his great experience and authority would be directed toward constructive and creative work toward seeking sensible compromises with the Union government and the president. To begin with, it seemed that that was the policy being followed. Unfortunately, this was short-lived.

It is being replaced by confrontation. The entire Russian power structure is being drawn into this fruitless campaign. Real deeds are being moved into the background. The economic work of the Supreme Soviet and its Presidium is being squeezed out by a political struggle and endless ultimata to the center. The vital problems of Russia are being consigned to oblivion, while high-faluting politics for politics' sake is being pushed to the fore. The people have described the current period as a parade of sovereignties, the war of laws, with authority, discipline, and public order absent. The result was not slow to make itself felt. Suffice it to say that last year, the national income of Russia fell by 21 billion rubles; the standard of living of people in the Russian Federation declined perceptibly; the only thing to go up was inflation, which leapt by 17.5 percent.

Our persistent attempts to influence Boris Nikolayevich were fruitless. On the contrary, his action and his conduct became increasingly more unpredictable. More and more frequently the question arose: Where will the policy of confrontation lead? What is it that impels our Russian leaders: defense of Russian sovereignty, or the struggle for personal ambition and personal power? Everyday work, alas, persuaded me of the latter. I am not, of course, enthusiastic about the position of the center, its strategy and tactics; its notorious policy of maintaining its hold and not letting go is still firmly entrenched in many Union structures of power. We must wage a determined struggle against that.

But the tactics of the struggle can and must be different. No one will win from headlong confrontation. Confrontation is tearing society apart. It is finally tearing our Union apart, and the economic links. The struggle of ambitions at the top is undermining discipline and bringing about a lack of trust and apathy among the people. It is not difficult to foresee what it is leading to, or rather, has already led to. It is interesting to note that Russia's situation is deteriorating not only in absolute terms, but also in comparison with other large republics. Is it not high time to stop and assess the situation in a composed way, without emotions? To cast off overriding ambitions and to start creative activity? Clearly, such activity is much more difficult. It is less populist and it is prosaic. It is very difficult to earn true popularity and authority that way.

Here, as they say, you need to present the people of Russia with a perceptible result. Well, it seems to me that this particular type of activity is least characteristic of the esteemed Boris Nikolayevich. Confrontation is his element, and noisy political shows; the first days of our congress convinced us of this.

I would like here to address Boris Nikolayevich himself. In my dispute with you, Boris Nikolayevich, I am solely guided by a wish to help you to get rid of fruitless ambitions and to direct your energy toward creative aims: protecting Russia's sovereignty. I am in favor of Russia's sovereignty. But I am greatly worried that, in the guise of fighting for the presidency—and this is, in practice, the subject of all speeches here today by the leaders of the democratic movement—on the tide of the powerful movement for Russia's sovereignty, Boris Nikolayevich is fighting to create a regime of personal power. To me, the notions of populism and popularity are not the same. Although, of course, to a citizen of Russia who is not closely involved in politics, it is rather difficult to see a dangerous watershed here. But we will have to see it, all the same.

Boris Nikolayevich is a populist. He is gaining points from the mistakes of the center much more successfully than from achievements. This worries me a lot. A strange situation is developing. The worse our life, the higher Yeltsin's popularity. Both as a citizen and a politician, I cannot but speak about it out loud; cannot but warn: Boris Nikolayevich possesses all the qualities of a functionary: intolerance toward other people's opinions, haste in making decisions and judgements.

This manifests itself literally in everything, including his cadre policy. The selection of leaders according to the principle of personal loyalty has turned, in practice, into a destructive wave of incompetence at all levels of management. Forestalling events in eliminating old structures, refusal to regulate through planning, disruption of vertical links and subordination of soviets to executive power, have done a lot of harm. Our chairman's democratism, quote unquote, has also manifested itself clearly in his intention to replace legally elected local bodies of Soviet power with his personal authorized representatives. This is just unforgivable.

Actually, to me his speech on 9 March at the House of Cinema was not a surprise. This was indeed a one man show, which opened the eyes of many. In Yeltsin's appraisal, we have become his enemies. At least we are not enemies of the people let us be thankful for that. Does this mean that those who dare criticize him honestly and openly fall into the category of his enemies? With all the implications? Sorry, Boris Nikolayevich, but we have studied all this as part of our national history course. And, indeed what does this have to do with democracy?

Esteemed people's deputies, the emergency situation we find ourselves in, and a true concern for Russia, demand urgent action. Our action must be pragmatic, but, most importantly, it must be realistic. It would be a crime any longer to lull the people with sweet dreams of miraculous short-term programs. We favor movement toward a market economy. But the market is not manna. It will not fall from the heaven and disappear tomorrow. A long road lies ahead, full of compromises, through a long and unique transitional period. We must admit this directly and clearly, and only on this basis build our strategy and tactics. Our immediate task is food, and more food. It is necessary to ensure an absolute implementation of the decisions of the Extraordinary Second Congress of People's Deputies. It is already time to think of the coming winter and of what harvest we will gather in the autumn. Every hour is precious here.

Another question: The country is being shaken by strikes in various regions. Clearly, all this is damaging the economy. To my mind, to stabilize the economy, Boris Nikolayevich should speak to the miners. Today we must clearly demand concrete steps from the government. This is extremely important. What should be done to stabilize the economy?

First, in my opinion, work should be done to get rid of the discrepancies between the Union and Russia's laws that have already been passed. Otherwise, the war of laws may turn into a war of people. We must sit around a table and remove all the contradictions.

Second, it is extremely important to start to resolve the issue of dividing property between the Union and the republic. Otherwise, we have dual power, and this leads to anarchy. We must also take into consideration the fact that distribution of property and outlining precise spheres of ownership creates necessary foundations for the implementation of privatization—and this is a starting point for the movement toward a market economy. It is necessary to speed up the adoption of common principles of privatization for the Union and the republics. We need a single set of regulations on this issue.

Third, a way out of the economic crisis that has developed can be seen in an immediate restoration of manageability of the economy both in the republic and in the country as a whole. [heckling in hall]

Last, last, no highly developed country can develop its economy today without clearcut plans for the present and the future. Clearly, we too must give some thought now, before we confuse our highly qualified personnel once and for all, to drawing up plans for socioeconomic development, both for the republic as a whole and for the regions, covering 1992-95.

In conclusion, I wish to say that I believe in the strength and wisdom of Russia's people. They are capable of freeing themselves of rigidity, constraints, and uncertainty. I am sure that they will find a way out of the critical situation, a way out onto the sure road leading to the future. Thank you. [applause]

I ask the esteemed congress to give me just one-and-a-half minutes more so that I can make a short statement. [commotion]

[Chairman Goryacheva] Esteemed people's deputies, shall we agree to this or not? [shouting] Good. I ask you to calm down. [shouting continues] Go ahead please, Boris Mikhaylovich.

[Isayev] Esteemed Congress!

[Goryacheva] Moscow deputies, please be quieter!

[Isayev] I would like, first and foremost, on behalf of the deputies who signed the political declaration, to thank those people's deputies who had the courage to support the stance we took. Ignoring the vulgar hubbub and jeering going on in the hall just now, one can say that not one speaker has in any way refuted a single argument in our political declaration. This shows that the Congress was needed and that the discussions at the Congress should have positive results.

In his report the chairman [Yeltsin] avoided, to all intents and purposes, any direct mention of our political declaration, although the the entire (?technical) section bears out our main argument. In short, our position has been set out. It is time now to make an evaluation. Several demands have been made from the floor for our resignation. We are not afraid of resigning. That's not important. The congress must decide what its political strategy is. If resignation is demanded, then I believe the question of no- confidence in the entire leadership of the Supreme Soviet elected by the Congress should be put to a secret vote. [applause] The result of the vote will be the most objective indication of the congress's wishes. Otherwise, if we continue to be prevented from working normally, there will be nothing for us to report to you tomorrow. We do not wish to settle scores with anybody. That is not the purpose of the political declaration. What we want is political certainty, and the moral and patriotic support of the congress. Thank you. [applause and commotion]

Correction to Kuzbass Representative at Congress

LD0104124991

The following correction pertains to the item headlined, "Kuzbass Miners' Representative Speaks at Congress," published in the 2 April Soviet Union DAILY REPORT, page 66:

Column one, paragraph one, first sentence make read ...of the interregional coordinating council and of the workers' strike committee of the Independent Miners Trade Union, a shaft-sinker of the (yesaulskaya) pit. I assure you... (supplying indistinct words)

Paragraph two, second sentence make read ...These were not members of the lumpen proletatariat, these were the... (supplying indistinct words)

Paragraph three, last sentence make read ...Four: Handing over supreme power to the council of a federation of soviet—the original wording was republics, but on the 29th it was adopted as states—and to their supreme soviets and governments. [passage omitted] [new graf]

We are proposing... (rewording for clarity)

RSFSR Congress 2 April Proceedings Detailed

Radio Rossii on Morning Session

LD0204164191

[Editorial Report] Moscow Radio Rossii Network in Russian at 1200 GMT on 2 April carries a 15-minute report on the proceedings at the 2 April Russian Soviet

Federated Socialist Republic [RSFSR] Congress of People's Deputies in Moscow presented by Aleksandr Tikhonov.

Tikhonov introduces the report by noting that there was a quorom and that Yeltsin chaired the morning sitting. Tikhonov notes that the polarity of views among the democrats and the Communists surfaced again during the discussions. He says that Deputy Nazarchuk immediately called upon all those present to behave decently and accused Yeltsin of upholding the interests of a certain faction of deputies. Deputy Gavrilov is heard saying the following:

"In connection with the extraordinary situation which has evolved in the republic due to the extreme exacerbation of the economic and political crisis. I propose that the congress examine the question and adopt a resolution on granting the chairman of the Supreme Soviet the separate, additional powers which he needs to stabilize the situation, before the introduction of the post of president. Immediately after the end of the congress, the Supreme Soviet should elaborate and adopt a resolution on the mechanism for implementing these powers. Evidently, this year, 1991, will be more important than all previous years in determining whether we will have prospects or will mark time in sedition and poverty. Who was and still is in power in the country, in Russian towns and villages? The ruling Communist Party, which may have got accustomed to suppressing those who do not agree. The Communists fear the presidency because their power will diminish considerably and some will be deprived of it completely. Therefore, they kindle the fire of hatred for democrats in everything."

After the debates, Tikhonov says, two draft resolutions on the miners' strikes were proposed. Tikhonov plays a voice excerpt of Deputy Fedosenko reading out the text of the first draft, followed by a recording of Deputy Shustev reading out the text of the second draft resolution. Tikhonov then gives brief voice excerpts of the addresses by various deputies. Deputy Baburin spoke of the need for consultations. Deputy Filippov called the deputies to vote for the second version of the draft resolution and to display "political prudence."

Tikhonov says that there were also calls for a moratorium on the strike and that Deputy Utkin from Vorkuta put forward his own version for solving the strike conflict. Utkin is quoted saying:

"The Extraordinary Third Congress of People's Deputies, recognizing the just demands of the striking miners, and taking account of the delay by the president and the USSR Government in examining the question raised, resolves: That it be proposed to the governments of the republics that an interrepublican parliamentary group be set up jointly with representatives of the workers' committees to elaborate a program and methods for implementing the demands. That is all. A full stop at that. Why is that? Because the coal sector today includes numerous republics in the ministry and it is not possible to divide into Russia, the Ukraine, Belorussia without having reached agreement. As far as all the other points are concerned, they are simply here on the instructions of the Council of Ministers has not said a word about the coal sector so far. Therefore, it is proposed that one point be adopted and that be an end to it."

Tikhonov says that the chairman, Boris Nikolayevich Yeltsin, liked the draft and proposed that it be voted upon but a number of deputies questioned that proposal. Some of them considered it essential that the miners be given the floor to help determine the final version of the draft. However, that proposal was not supported.

The delegates then elaborated the name of the draft—the decision on the political and socioeconomic situation in the Republic's strike collectives, Tikhonov says.

Tikhonov reports that the proposal was made to Yeltsin that he address the miners. Yeltsin's recorded reply is played, he says:

"I do not have the powers to fulfill the miners' demands. I cannot simply appeal to them and then deceive them and talk a lot [naboltat]. If I were given the additional powers to resolve the question—that would be a different matter."

Tikhonov says that Boris Yeltsin then went on to explain the situation regarding the transition of labor collectives to the jurisdiction of Russia. Yeltsin is heard saying:

"At last, such a mechanism has been drawn up by the RSFSR Council of Ministers and already many collectives in the country have left the jurisdiction of the Union ministeries and gone over to the jurisdiction of Russia. Well, such an example is the major Verkhniy Tagil metal works, and many others. There is a mechanism. This requires first, a decision by the conference and the collective itself, accordingly, its appeal and then formulation by the Council of Ministers. So, the process will be underway, and, accordingly, will depend upon whether the miners appeal, and then the Council of Ministers will examine that."

Tikhonov reports that after the relevant amendments were passed, the decision on the continuing miners' strike was adopted in the version proposed by Deputy Utkin.

Tikhonov then says that the draft resolution on the first question on the agenda—on the political and socioeconomic situation in the RSFSR and on measures for a way out of the crisis—was proposed for examination by the deputies. During its discusion, the activities of the republican government was criticized, to which Ivan Stepanovich Silayev, head of the cabinet, reacted in this way. Silayev says:

"The Council of Ministers thinks that the view that the Council of Ministers has shown an inability to carry out concrete economic activity, to resolve production and social questions, is not entirely just. You have in your hands evidence characterizing the government's activity

in this period. Of course, there were quite a few shortcomings, but it seems to me that we do not deserve such a categoric opinion."

Tikhonov then gives a brief recorded excerpt of the address by Deputy Tikhomirov, who says that "it is not a war of laws which is underway but a war of resolutions." Before criticizing the RSFSR Council of Ministers, we should determine what belongs to Russia, Tikhomirov says.

Announcer Aleksandr Tikhonov then says that before the long break, the deputies devoted a considerable amount of time to discussing amendments to the first question on the agenda on the political and socioeconomic situation in the RSFSR and on measures to solve the crisis. Taking account of the long time spent examining the amendment, the congress adopted a decision not to broadcast that part on television and radio, Tikhonov concludes.

Deputies Support Miners' Demands

LD0204090291 Moscow TASS in English 0851 GMT 2 Apr 91

[By TASS legislative correspondent]

[Text] Moscow April 2 TASS—The Russian Extraordinary Congress of People's Deputies today rejected the proposal for a vote of no-confidence in Soviet President Mikhail Gorbachev.

A no-confidence motion against the president and the union bodies of power was contained in a draft resolution on the miners' strike, which was put to debate at the congress. This draft was replaced with another variant, which recognises only "the just nature of miners' demands".

Although a simple majority of deputies called for specifying that the congress supports only the economic demands (523 for, 404 against, with 36 abstentions), the vote procedure required a greater majority of votes.

Pit workers' political demands boil down to the resignation of the president and Union bodies of power.

Yeltsin Report Amendments Proposed

LD0204115291 Moscow TASS in English 1128 GMT 2 Apr 91

[By TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow April 2 TASS—The Russian parliament leadership's intention to end the extraordinary Congress of People's Deputies, which has been in session in the Kremlin since March 28, is unlikely to be realised. The discussion of a resolution on parliament Chairman Boris Yeltsin's report "On the Political and Socio-Economic Situation in the Russian Federation and Measures To Pull the Country Out of the Crisis" promises to be lengthy. One hundred and fifty five deputies proposed 257 amendments to the five- page draft.

The draft resolution critically evaluates the activity of the Russian parliament and government, noting that they "failed to make full use of the powers granted to them to stabilise the political and socio-economic situation in the Russian Federation." It points out, however, that the crisis situation in the largest Union republic is only a part of a deep crisis in the USSR as a whole.

The document emphasises that socio-economic transformations are impossible if several political conditions, which are set out in the resolution, are not implemented.

As for implementing results of the Russian referendum and introducing the post of president in the Russian Federation, which sparked steamy debates at the congress, the draft proposes that the Russian parliament prepare the legislative base for reforming state power in Russia.

A separate point suggests holding general alternative elections for the Russian president late May-early June, 1991. A battle around this point is likely to break out again while discussing amendments.

The draft proposes calling on all political parties to foster a constructive dialogue and prepare a round-table of national accord both at the Union and republican levels. The authors of the document suggest approaching the Soviet parliament and president and also the parliaments of Union republics with a proposal to form a "coalition Union government of popular trust and national accord".

Russian people's deputies are also asked to cast their votes in favour of banning the activity of political parties and movements from public prosecutor's offices, the Justice and Interior Ministries, the State Security Committee and state apparatus.

Russian Party Leaders' News Conference

LD0204125691 Moscow TASS in English 1238 GMT 2 Apr 91

[By TASS legislative correspondent Lev Akseonov]

[Text] Moscow April 2 TASS—At a news conference held today in the press centre at the extraordinary Congress of Russian People's Deputies, the leaders of Russia's three political parties spoke out in support of a round-table of various political parties and of forming a coalition government.

Speakers at the news conference included Russian People's Deputies Oleg Rumyantsev (the Social Democratic Party of Russia), Nikolay Travkin (the Democratic Party of Russia) and Vladimir Lysenko (the Republican Party of Russia).

Rumyantsev believes that "extremist forces" both in the Russian Communist Party and the Democratic Russia movement are unable to appraise the worth of a round-table.

Lysenko said that being mindful of the deep crisis plaguing the country, the Soviet president, too, should be interested in this idea.

The leaders of the aforementioned parties said that their parties had reached an agreement on coalition action. Remaining facets of the Democratic Russia movement, they intend to maintain interaction both within the framework of the movement and beyond it.

In evaluating the proceedings of the third Russian Congress of People's Deputies, the three political leaders emphasised, in particular, the need to solve the issue of an executive presidency in Russia.

Travkin said he was sure that no changes would be made in the top Russian leadership at the congress. He believes that the congress will also approve the economic programme proposed by Russian Prime Minister Ivan Silayev.

Journalists were told that the democratic congress, which unites new political associations from various Union republics, would hold an inter-parliamentary conference in Moscow from April 20 to 21. A draft treaty on the community of sovereign states will be proposed to its participants.

Judging by everything, at point is a document that will be an alternative to the draft Union treaty prepared by the working group of representatives from Soviet republics.

Proposal To Criticize Yeltsin Fails

LD0204133791 Moscow TASS in English 1314 GMT 2 Apr 91

[By TASS legislative correspondent Boris Zverev]

[Text] Moscow April 2 TASS—The discussion of a resolution on Russian parliament Chairman Boris Yeltsin's report "On the Political and Socio-Economic Situation in the Russian Federation and measures To Pull the Country Out of the Crisis" is proceeding, contrary to expectations, in a "peaceful" atmosphere. Although from time to time some deputies launch "localised battles" that are short lived.

Yeltsin's opponents attempted to supplement the text of the resolution with provisions criticising actions by the head of parliament. They proposed, in part, that the Russian leadership's work be assessed as unsatisfactory. But this proposal failed to garner the required number of votes: only 320 out of 926 deputies voted in its favour.

The speech by Russian Communist Party Leader Ivan Polozkov, who opposed ousting the leadership of the republican parliament headed by Yeltsin, toned down the combative stance of some of the deputies. "I think it is not the moment now to change the leadership, chairman, deputy chairmen, members of the Presidium or any other bodies," he said.

Deputies considered approximately one fourth of all of the proposed amendments in the first half of the day. This work will continue at the evening session of the congress.

Russian Deputy Leads CP 'Split'

LD0204154191 Moscow TASS International Service in Russian 1305 GMT 2 Apr 91

[By TASS legislative correspondent Lyudmila Aleksandrova]

[Text] Moscow, 2 Apr (TASS)—It looks as if a split has emerged among Russia's Communist people's deputies. Aleksandr Rutskoy, member of the RSFSR Supreme Soviet Presidium, hero-pilot of the Soviet Union, who took part in the Afghan war, has come forward as the initiator for formation of a "Communists for Democracy" deputies' group to counterbalance the "Communists of Russia" bloc.

He told your TASS correspondent that to date 179 deputies have declared their readiness to sign up with the new legislative group.

Aleksandr Rutskov, elected last year as a member of the Russian Communist Party [CP] Central Committee when the party was being formed, expressed sharp disagreement with the course of the party's leadership and what he sees as the unconstructive line being followed at the current congress by the "Communists of Russia" bloc. "The program of the orthodox Communists boils down in fact to turning back—toward preservation of the outmoded system", he reckons.

According to the deputy, after he had come out with the initiative for formation of the new deputies' group, representatives of the leadership of the Russian Communist Party charged him with attempting to split the Communist Party.

Aleksandr Rutskoy said that the "Communists for Democracy" group may become the basis for a broad public movement which he hopes to give legal and organizational form. Rutskoy and his supporters intend to draw both Communists and non-party members into it.

"What we are striving for is not a split in the CPSU, but democratization of it, and we call upon all honest, sensible Communists, who are in the majority, to join with us", he said.

Polozkov Rejects Leadership Change

LD0204163191 Moscow All-Union Radio Mayak Network in Russian 1445 GMT 2 Apr 91

[Address by Ivan Kuzmich Polozkov, head of the Russian Soviet Federated Socialist Republic, RSFSR, Communist Party, to the Congress of RSFSR People's Deputies in the Kremlin on 2 April—recorded]

[Text] Esteemed people's deputies, esteemed Presidium: What provokes me to speak at this forum? Here there have been a great many hints about some kind of unlawful, destructive actions by the Central Committee of the Communist Party of Russia and Communists of Russia faction. Demands have been made. [shouts in the hall]

Yes, yes, I am coming to that. I am sorry. I am coming to that, demands that I should express my attitude to precisely this question. I would like to say that the Communist Party of Russia works within the framework of the law, within the framework of the Constitution, and within the interests of the rebirth of Russia and the well-being of the people of Russia. We are not giving anyone justification to doubt this, and I assure you we will not do so.

Many Communists supported the idea of convening this congress. I think there was no dispute that the situation in Russia requires immediate appraisal and profound analysis and the adoption of certain measures. The appraisals which have been made are strict and convincing but objective. Let us agree that the situation in Russia is a difficult one and that our duty is to stop the collapse in every area of its life. I feel that today is not the time to change the leadership, the chairman, his deputies, members of the presidium, or any other bodies of power. Do not accuse the Communists of that. They are doing constructive work. If anyone does not like their fundamental point of view, well, that is another question. Accept that as due. There exist factions, so there will be disputes, conflicts, and political struggle. Let us conduct that struggle with dignity, respect, and as is prescribed in civilized legislatures. Thank you for your attention.

Moscow TV Details Session

LD0204201291

[Editorial Report] Moscow Central Television Second Program Network in Russian at 1845 GMT on 2 April carries its regularly scheduled program of recorded highlights from the Congress of Russian Soviet Federated Socialist Republic, RSFSR, People's Deputies in the Kremlin on 2 April.

Prior to the recording, the announcer says that as the deputies spent a lot of time debating procedural issues, the report on the meeting will be "shorter than planned."

At 1847 GMT the recording begins, with Yeltsin asking deputies to register.

Yeltsin says that there is a quorum, and the session opens with Deputy Nazarchuk from Altayskiy Kray. He complains about the agenda arguments and the filibustering by Moscow and Leningrad deputies. Deputies in the hall grow restless, and Yeltsin says that the time allotted to him has ended. He continues to speak and his microphone is switched off. Eventually it is switched on again, and the speaker appeals to Yeltsin to join with agricultural deputies and support their views. Deputy (Pervanskiy) from Kazan then speaks, pleading for the miscellaneous section to be placed at the head of the agenda, to allow deputies to express their views more fully. He also asks that sedatives be sold in the foyer to calm deputies down.

An unidentified deputy speaks from the hall criticizing Isayev, who is in charge of agriculure and the soviets. He says that Isayev has criticized Yeltsin on matters for which he himself was responsible. Deputy Rybkin from Volgograd then speaks from the hall, criticizing Khasbulatov for his anti-communist comments.

At 1900 GMT deputy Zaveryukha speaks from the hall on the critical situation in the countryside. He proposes that a vote of no confidence be put in the Supreme Soviet leadership, where some six of the leaders find themselves in opposition. Yeltsin responds by saying that he had not made such a proposal to hold a vote of no confidence.

At 1903 GMT deputy Gavrilov speaks from the hall, proposing that the chairman of the republic's Supreme Soviet should be granted special powers, prior to the election of a president, in order to stabilize the critical situation.

Deputy Bogatyrev then speaks from the hall complaining about Yeltsin, and asking for help to be rendered Chechen-Ingush refugees in Kazakhstan who want to return home.

An unidentified "communist" speaker addresses deputies from the rostrum and rejects a statement by Antonovich on all-Union radio concerning the communists being the driving force behind this congress. He says that no one - Yeltsin, Isayev, Goryacheva or Khasbulatov - is going to be struck off as a result of secret voting, because the alignment of forces is such that they will have to work together. He asks Yeltsin to appeal to strikers to end their actions and get back to work.

At 1913 GMT Yeltsin speaks about the situation concerning labor collectives. he draws deputies' attention to two draft resolutions and then introduces deputy Fedorchenko, chairman of the power engineering committee, who speaks to them. He says that the two versions are virtually the same but that one incorporates the miners' political demands. he outlines the first version.

Deputy Shustov, another member of the drafting committee, then mounts the rostrum to speak to the second version which contains the miners' demands including a deadline for the establishment of the RSFSR presidency.

A number of deputies then speak on the first version, including Deputy Utkin from Vorkuta who proposes a short proposal on setting up an inter-republican legislative group to work out a program on how to implement the miners' demands. Other deputies offer amendments.

Yeltsin asks deputies to vote on whether these versions are to be put to the vote. The deputies vote in favor of this. This is followed by Yeltsin suggesting that Utkin's brief proposal be voted on, which prompts a debate on which proposal should be voted on first. At one point, Goryacheva, suggesting that "demands" be changed to "economic demands", can be heard saying to Yeltsin "You can't do that, Boris Nikolayevich." He ignores her. Yeltsin asks deputies to vote on whether they want a named vote. This proposal is carried.

The deputies vote on a number of amendments, including a proposal by Baburin to change "demands" to "economic demands". The latter proposal is rejected, to applause from the hall.

Yeltsin speaks on the proposal that he should address the miners to deal with their demands. He says that he does not have the powers and that he will not simply address them and deceive them. But he adds that it would be a different matter if he were to be given additional powers. Yeltsin then puts the decision as whole to the vote, where it is accepted with applause.

Yeltsin says that there has been a proposal not to broadcast this section of the session concerning the discussion of and voting on amendments. This proposal is adopted.

A deputy then complains that his proposals to invite Shilov and Trubin to the sitting are being ignored. Yeltsin assures him that they are not being ignored and that both will be invited to come tomorrow. A vote is then held on whether to hear a speaker from the Moscow Soviet concerning hunger strikers protesting at the appointment by central authorities of the head of the Moscow militia. Deputies agree to this, and the speaker, Bondarenko comes to the platform and complains about the actions of "OMONovites," (OMON—Special Purpose Militia Detachment) who are subordinate to the center rather than to the people whom they are supposed to protect. He asks for the congress to adopt a decision, which he reads out. As he leaves the rostrum, deputies applaud.

Yeltsin points out that there are three candidates for the post of the head of the Moscow militia. The real issue is to decide who should have the right to make this decision, and while this is being resolved, the situation remains in limbo. He proposes that Barannikov, RSFSR deputy minister of internal affairs, should be appointed until the matter is resolved. This should be the decision of the congress. He acknowledges that this will be opposed by Pugo, then calls for proposals.

Deputy Zerin backs Yeltsin's proposals. Deputy Surkov from the hall states that the congress has already adopted a decree stating that the militia in the RSFSR should be subordinate to the Russian minister of internal affairs; therefore, the presidential decree usurping this authority is unacceptable. Deputy Shustov backs the demand of the Moscow City Soviet representative to support the Moscow Soviet candidate.

Yeltsin then asks deputies to vote on whether this matter should be left to the Supreme Soviet to resolve. There is no quorum, so this issue is to be returned to tomorrow.

Yeltsin calls on Deputy Rutskoy to speak and deputies are seen leaving the hall.

He says: "Esteemed people's deputies, on behalf of the newly formed group of people's deputies of the Russian Federation, Communists for Democracy, which by today has united within itself 170 members of the CPSU, people's deputies of Russia, workers, peasants, the intelligentsia, and servicemen, I am empowered to state the following:

"The work of three congresses has already most convincingly demonstrated that the position of conservatism, destructiveness, and in effect the total absence of flexibility on the part of communists of the Communists of Russia group, who, in essence, have departed from the decisions of the 19th party conference and the 28th congress and the pre-election platform of the CPSU, is creating a situation in which CPSU members are continuing to leave the ranks of the CPSU.

"Speaking on behalf of all Communists and 87 percent of people's deputies of the Russian Federation, the leadership of the Communists of Russia group is appropriating the right to speak on behalf of the greater portion of the people's deputies of the RSFSR, thereby leading the congress to a state of being incapable of functioning, resulting in errors, and creating a precedent of nervousness among the public and voters with regard to the true aims which the communists of the legislature set themselves.

"The group of people's deputies of the Russian Federation, members of the CPSU, Communists for Democracy, intend to ensure firm support for the Supreme Soviet, and of the bodies of power of Russia elected by legal means [applause], to support the course of the Supreme Soviet of the Russian Federation toward establishing the real sovereignty of Russia [applause], and toward getting out of the political, social and economic crisis; to master the customs of a legislative party, resolutely acting in support of the ranks of the working class and the peasantry, who have risen up against the policy of deadlock. [applause].

"We call on all members of the Communist Party of Russia, of people's deputies of the Russian Federation of all levels, and the voters to unite to implement these progressive aims: the aims of the people and not the pseudo-aims of a power struggle. [applause]

"We are in favor of ending the collapse of the Union, of the crisis of the republic and the powerlessness and chaos in the country. We express full confidence in the Supreme Soviet of the Russian Federation and its chairman. [applause]

"We are in favor of the power of the soviets in a democratic, sovereign republic, and for establishing true democracy by way of presidential rule and the election of the leadership of local bodies of power at all levels, in republics, krays, oblasts, rayons, and cities by nationwide ballot. [applause]

"We are against the further use of the mass media to fan enmity and hostility, to spread lies and besmirch the activity of the Supreme Soviet and its chairman. [applause].

"We are in favor of establishing discipline and hard work at all levels, and instituting—with the adoption of a decision of the third Congress of People's Deputies of the RSFSR on the political, social and economic situation in the RSFSR and measures to get out of the crisis—a tough administrative and criminal requirement for leaders of all ranks for the discrediting or nonfulfillment of laws and the decisions of the congress and also of the Supreme Soviet. [applause].

"Our statement is supported by people's deputies of Democratic Russia, of the Left Center, and indepenents. We also call on the Communists of Russia group of deputies to embark on the same path. [applause].

"We appeal to the congress and to all who hold Russia dear to end the confrontation and opposition. Only solidarity and reason in the adoption and discharge of decisions will save our republic from entering into another spiral of the crisis. Thank you. [applause]"

The program ends.

No Vote Made on Yeltsin

LD0204185191 Moscow TASS in English 1816 GMT 2 Apr 91

[By TASS legislative correspondent Lev Aksenov]

[Text] Moscow April 2 TASS—This, the sixth day in the work of the Congress of Russian People's Deputies, proved to be a turning point in the congress's work. The day began with the article-by-article approval of the resolution on the key item of the agenda—the report by the Russian parliament leader Boris Yeltsin on the political, social and economic situation in the republic.

In the course of the debate the deputies were able at last to embark on the road of search for unity.

Of considerable importance in the change of the tonality of the debate was the speech of Russian People's Deputy Ivan Polozkov, who is also first secretary of the Russian Communist Party Central Committee. He pointed out that "the situation in Russia is grave" and it is the duty of deputies to "halt disintegration in all spheres of life".

The leader of Russian Communists said that the time was not ripe under these conditions "to change the leaders, the chairman of the Supreme Soviet, his deputies and the members of the Presidium".

After Polozkov's speech only 121 of the about 800 deputies present at the session supported the demand that the vote be held on the no-confidence in Boris Yeltsin.

In the afternoon, the congress continued discussion of the final resolution on Yeltsin's report.

The work of the congress evokes great interest across the country. According to the congress Secretariat, nearly 17,000 letters, telegrams and messages from groups of voters have been addressed to the congress. The authors of about 10,000 messages declare their support for the leadership of the Russia's parliament and various deputy groups and call on people's deputies to end confrontation. About 1,300 letters, telegrams and appeals by citizens contain criticism of Yeltsin's policy.

Also today, the congress heard a report about the registration of a new deputy group "Communists for Democracy". Its coordinator Aleksandr Rutskoy said 179 people have joined the group.

The congress will continue work in the Kremlin on Wednesday.

Commentary Criticizes Yeltsin Report

PM0204143991 Moscow SOVETSKAYA ROSSIYA in Russian 2 Apr 91 First Edition p 2

[Commentary by I.I. Antonovich on report by Russian Soviet Federated Socialist Republic, RSFSR, Supreme Soviet Chairman B.N. Yeltsin at the Extraordinary Third Congress of RSFSR People's Deputies: "Deaf to the People's Needs"]

[Excerpt] [Passage omitted] Let us sum up. The main aims and tasks of B.N. Yeltsin's report boil down to the following:

1. To enshrine confrontation with the center as a constant political course. To throw all of "Democratic Russia's" political forces into the theoretical and practical organizational backup for this confrontation. This harbors a great social danger of continued disagreement, social tension, and confrontation.

2. To ensure freedom from the USSR Constitution and the Soviet Union's laws. In point of fact, the report is unprecedented as a legal document. It is full of mockery of the laws, the currently existing sociopolitical realities, and the structures of power and on each of its pages it resounds with calls for anarchic revolt.

3. B.N. Yeltsin's desire to establish a sociopolitical regime which will live according to his laws and command. A huge, grotesque pyramid of personal power for the person standing on top, B.N. Yeltsin in this case, is being created.

4. Social freedom, about which so many loud words have been spoken, boils down to arbitrariness in the share-out of public wealth. Freedom to produce has never been substantiated. The report is full of adventurist promises to continue taking something from someone and giving it to someone else. This means that B.N. Yeltsin and the "team" he heads in fact have nothing to offer the people today. He does not even understand that, by this, he could give rise to a wish to remove benefits and privileges from the elite which he is creating to ensure a regime of personal power.

5. Despite loud assurances of Russia's sociopolitical and cultural revival, B.N. Yeltsin's thoughts go no further than the traditional ones: "to strengthen, increase, and raise." They very much resemble the spirit of the resolutions of the early eighties, when "additional measures to strengthen culture" were continuously being taken but ended by weakening it.

6. There is every reason to say that B.N. Yeltsin, as someone who emerged from the epoch of stagnation, does not want to offer a program for the transformation of Russia using methods of modern economic management and ensuring freedom of productivity and initiative but merely to consolidate this system on the condition that he himself will head it. The report does not resolve a single one of the most urgent problems and is an attempt to mislead public opinion, the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet, and the peoples of Russia.

PRAVDA Deplores 'Discord'

PM0104103891 Moscow PRAVDA in Russian 1 Apr 91 First Edition p 2

[Commentary by PRAVDA political observer Aleksandr Nikitin on Congress of RSFSR [Russian Soviet Federated Socialist Republic] People's Deputies under the "Subjective Notes From the Kremlin" rubric: "You Can't Build a House From Discord!"]

[Text] I must admit I wanted to abandon these whimsical notes entirely. Journalists, readers, and listeners are already sick and tired of the subject. After all, even after a year it probably will be hard to unravel everything that Russia's deputies have said in the past four days of their congress. "The auditorium is very noisy!"—came the plaintive cry from the Presidium. So many conflicts accumulated that at times they seemed to merge into a single, incomprehensible roar.

But on reading the very same documents as the people's deputies, I noticed an appeal from the "Democratic Russia" movement's Coordinating Council to anyone and everyone: The main aim, it says, of the "Communists of Russia" deputies' group is to remove Boris Yeltsin from the post of chairman of the republic Supreme Soviet...

Was the Coordinating Council not in rather a hurry? Or is that what they want to coordinate—his "removal"? The congress has been in turmoil for four days, yet none of the deputies is seriously on the point of removing the chairman.

On the contrary, V. Isakov, from Sverdlovsk, delivering his supplementary report, proposed that not Yeltsin, but the USSR president should... resign. Even V. Vorotnikov (from the Adygey delegation), who had hitherto been bored, roused himself and joined in the clapping...

What was even more mysterious was the whole story of the conspiring deputies who had decided beforehand to "overthrow" Boris Yeltsin, when Deputy L. Mishustina, also from Sverdlovsk, hung around the microphone for two days but was not allowed near it. Either by Yeltsin or by Khasbulatov... In the end she announced that 76 percent of Isakov's voters had demanded his recall. Why? On what grounds? Because he is supposedly anti-Yeltsin? Or perhaps because he is anti-Gorbachev? The Urals voters, unlike Vorotnikov, of course, are now in a state of confusion. Perhaps the time has come to move the Congress, not to Zurich, as one deputy joked, but... to Sverdlovsk? [preceding paragraph is omitted from PRAVDA 1 April Second Edition version]

So much for the "predictions" of elusive political passions or, more likely, hasty preliminary propaganda and antipropaganda issued by the "political servants" of the new democratism. Maybe the deputies should get indignant first and foremost about these so-called innovators, who remember the antediluvian tactics of "agitprop" that even their opponents have forgotten.

But the noise at the congress is, of course, not only because of that. And it is not even because of the insults that deputies are hurling at each other in torrents. And when, the other day, a television journalist asked some little boys on the Arbat why they don't want to be presidents, they replied clearly and simply: "Because they get shouted at all the time..."

The main displeasure is prompted by something entirely different. By no means are all the deputies delighted with the quality, or rather the depth, of B. Yeltsin's report on Russia's political and social situation, although it contains much that is sound. A number of deputies noted that the chairman is better at impromptu emotional outpourings than at a program speech with serious intentions. Like speeches at rallies, it is full of eye-catching slogans. Many deputies like this. Maybe even now the habit of thinking in slogans can be justified, at demonstrations? But in the context of the exposition of yet another program for the socioeconomic development of the RSFSR [Russian Soviet Federated Socialist

Republic] (is it the third in 10 months, or the fourth?), this way of thinking did the speaker no favors, doubtless contrary to his wishes.

But let us disagree, others may say. The report is still good, by virtue of its unusual liveliness and very apt expressions. As if it was written not by its author himself, but by the pens of classical writers. Some of the metaphors are just asking to be in novels, or maybe they came out of novels. Well, that school is not a new one, either. Let me remind you that L. Brezhnev became a member of the Writers' Union, thanks to the services of highly obliging journalists.

But not even this is the most important aspect of the report. The author has left posterity the first chapters in the "History of Perestroyka." Who began it and when, why is it going badly? Many of the bitter words are, I think, entirely justified. And their targets have long been familiar. Moreover, on many occasions they have been heard on the lips of those targets themselves, by way of self-criticism. These, too, are old tactics. Where are the new ones to be found?

In the constructive, program section of the report? True, it is a pity that this too takes the form of patter, or rather, slogans: it is important, we must, it is necessary, we have to, and so forth. But what specifically is to be done, to be put into practice? The reply takes the form of complaints that nothing can be done without the center. That everything is in the way...

What about using their power? They haven't tried it yet. Why not? In the Ukraine, Belorussia, and Kazakhstan you don't see much sign of "weeping Bolsheviks" and non-Bolsheviks in the government. Perhaps they are ashamed to shed tears in public.

Although G. Yavlinskiy, until recently deputy chairman of the RSFSR Council of Ministers, believes that the time for programs has passed, he doubtless was referring to pathetic-romantic programs. As for programs that would extend the world of our economy and put it at the service of people, somehow there is no sign of them. Obviously, if such programs are to mature, their authors must mature first.

For instance, at every possible opportunity the deputies curse shortages and the center's economic monopoly. And at the same time they assert: "The Union government has long since lost effective control of production." So what, one wonders, are the speakers really calling for? The same kind of monopoly, backed up by control? It is therefore hard to say who is wearing the most "perestroyka camouflage."

Take the monopoly question again. Not the republic, but the Union Supreme Soviet included on its agenda beforehand the question of draft antimonopoly legislation. This law is needed. But what is meant by monopolism?

Here too there is no single approach. For some people, it is simply the policy of a sector headed by a ministry. For others, monopolies are large-scale enterprises under Union jurisdiction. But what kind of monopolists are they—in their totality—if they are negligible as a factor in the world market and cannot save us from shortages in the domestic market?

And what could come of wholesale, ill-considered demonopolization and denationalization of anything and everything? In the context of the fragmentation of industry first into republics, then into autonomous formations, krays, oblasts, cities, rayons?.. Who, one wonders, will then go to the world market to compete successfully with the real transcontinental monopolies? Tikhonov's farmers or Bunich's small enterprises? Of course, we need them too. But there are certainly very different ways of resolving these problems.

In his report B. Yeltsin laments that the republic has few of "its own" industrial enterprises. True. But there could be far more of them. What is important is not the enterprises themselves, but their output. Because even without owning, say, the Kama Truck Plant in full, the republic could be its part owner, as a joint-stock enterprise. And the Russian farmers who do not get enough from centralized deliveries could become shareholders in motor vehicle and tractor plants.

Why, for instance, divide up a blast furnace or rolling mill on the basis of administrative or territorial affiliation, when it is simpler to invest money in modernizing it? At Magnitka, for instance, they dream of setting up a corporation to organize the production of cold-rolled sheet metal for cars. And then there would be enough for all the motor vehicle plants and all the republics that produce domestic refrigerators. Can you cut up a blast furnace or a rolling mill into 15 parts? Who benefits from that kind of "demonopolization"? Those same foreign firms, maybe, which sell their output to us at three times the price? That is where the vigor and resourcefulness of the Russian Government and the people's deputies would come in useful—in the quest for new, civilized forms of economic life. Otherwise it is nothing but sniveling: They won't give us this, they stop us doing that...

It is not enough to proclaim the pluralism of different forms of ownership and dream of free economic aspirations. All this, as many deputies rightly pointed out, must be followed by economic creativity and the desire to get on with the job. And therefore, as Deputy S. Shakhray said, it is necessary to "cherish the grains of consensus." To cherish and develop them, for the sake of all the country's peoples. You cannot build a house from discord!...

Once again I hear tired, hoarse voices from the congress Presidium:

"The auditorium is very noisy!"

Not only the deputies are tired. All Russia is tired of the endless, tedious disputes. And at the same time, it is longing to get on with the real work. Deputies, please help it to do this!

RSFSR CP Politburo's 27 Mar Session Reported

PM0204141791 Moscow SOVETSKAYA ROSSIYA in Russian 29 Mar 91 First Edition p 1

[Unattributed report: "At the RSFSR Communist Party Central Committee Politburo"]

[Text] A session of the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Central Committee Politburo was held 27 March. The results of zonal seminar-conferences of party rayon and city committee first secretaries were summed up at the session. It was noted that all their participants had displayed great activeness and keen interest. Attention focused on questions of the party's role and position in present-day society, its participation in resolving specific socioeconomic problems, and Communists' work within soviets. On the whole, the results of the seminar-conferences provide grounds to conclude that the republic's party organizations are working persistently to identify ways out of the crisis.

The Politburo adopted a decision to transform CPSU higher education establishments located on RSFSR territory into regional political institutes for the training and retraining of specialists in the sphere of theory and organization of political activities, sociopolitical and economic management, state science, sociology, and the mass media for party, soviet, state, and social organizations and movements with a socialist orientation. One of their tasks will be to participate in the elaboration of a scientifically substantiated party policy.

By decision of the Politburo, a council of experts for problems of interethnic relations was established at the RSFSR Communist Party Central Committee.

The sitting was attended by first secretaries of republic, kray, and oblast party committees and rectors of party higher education establishments located on RSFSR territory.

Western Republics

Moldovan Law on Citizenship Explained

LD0204155791 Moscow TASS International Service in Russian 0952 GMT 2 Apr 91

[Text] Kishinev, Apr 2 (TASS)—All citizens living in the republic at the time of the adoption of the law on citizenship can consider themselves citizens of Moldova. This is the proposal of the standing commission of the Supreme Soviet of the Moldova Soviet Socialist Republic [SSR] for human rights and national minorities, which has completed its elaboration of the draft.

Commenting on the decision adopted, Aleksandru Arseni, chairman of the commission and a people's deputy of the Moldovan Soviet Socialist Republic, noted that "this has been done taking into account the realities that have formed in the republic. If the deputies vote for the adoption of this law, all residents having a legal source of existence and permanent place of residence will have to make an application for citizenship to the local executive bodies within six months. If they do not do that, they will be counted as foreigners or as persons without citizenship."

With regard to this category of person, if they should wish to become citizens of Moldova, the commission has proposed the introduction of a qualification of 10 years' residence and obligatory knowledge of the state language.

Dnestr Republic To Withhold Local Budget Payments

PM2803165591 Moscow IZVESTIYA in Russian 27 Mar 91 Union Edition p 1

[Correspondent E. Kondratov report: "Now Money Is Separate Too..."]

[Text] Kishinev—Effective 1 April, enterprises and organizations in the Dnestr Moldovan SSR [Soviet Socialist Republic], which is not recognized juridically by the USSR president and has been declared illegal by the Moldovan legislature, will cease making any deductions into the Moldovan SSR budget from their incomes.

The Dnestr Republic will now have its own state bank and its own budget—this is proclaimed in the laws adopted by its Supreme Soviet. People here are convinced that all this will help, finally, to realize the successful economic self-management of the region where almost one-third of Moldova's industrial potential is concentrated.

What is the reaction of the Moldovan SSR Government to this? According to V. Muravskiy, deputy prime minister and minister of finance, the decisions adopted in Tiraspol threaten Moldova with economic chaos and social explosions.

The moral aspect of the egoistic attempt to split the republic budget is being particularly harped upon in Kishinev. It is emphasized that the Dnestr region's enterprises, which today produce sizable incomes, were created in the past with finance from the whole republic. Moldova will now find it far harder to develop the republic's economically backward regions, particularly in steppe Budzhak, the home of the Gagauz, solidarity with whom is mentioned so frequently in Tiraspol.

The Moldovan Government's countermeasure will be a complete halt to funding of all construction in the Dnestr region, including that of schools, kindergartens, and hospitals, as well as an end to payments of pensions, allowances, and, of course, price-hike-related compensation to residents there.

The Moldovan SSR Government absolves itself of its obligation to pay to the center the 250 million rubles it will not be getting from the Dnestr region. People on the left bank of the Dnestr believe that they will somehow arrange their financial relations with Moscow themselves. Talks and attempts to find compromise solutions have so far been unsuccessful.

Kishinev Plans To Dismantle Lenin Monument

LD3103081291 Moscow TASS in English 0805 GMT 31 Mar 91

[By TASS correspondent Fedor Angeliy]

[Text] Kishinev March 31 TASS—A session of the Kishinev city council passed a decision on Friday evening, in the absence of more than one-third of the deputies, to dismantle the monument to Vladimir Lenin in the centre of the city.

The monument was erected in keeping with the resolution of the Moldovan Council of Ministers. The decision to dismantle the monument breaches the republican legislation on the protection of the monuments of history and architecture.

A group of deputies, who disagree with the decision, sent a protest note to the republican leadership.

Ukraine Increases Compensation to Miners for Food

LD0304090991 Moscow All-Union Radio First Program Radio-1 Network in Russian 0500 GMT 3 Apr 91

[Text] The POSTFAKTUM agency reports that the Council of Ministers of the Ukraine has decided to increase financial compensation to every worker engaged in underground work to cover expenses connected with the increased cost of special food. The compensation has been increased from 65 to 105 rubles.

Belorussian 1991 Budget Legislation Issued

914A0493A

For the Belorussian 1991 budget legislation published in the 8 January 1991 SOVETSKAYA BELORUSSIYA, see the JPRS Report Soviet Union: Economic Affairs, JPRS-UEA-91-014, pages 45-47.

Caucasus

Moscow TV Reports Georgian Referendum Result

LD0204212991 Moscow Central Television First Program Network in Russian 1800 GMT 2 Apr 91

[Report by correspondent Gongadze in Georgia on the preliminary results of the republican referendum; from the "Vremya" newscast]

[Text] [Gongadze] the intense work of the computer center for the processing of the questionnaires is behind them, and (Archil Zhirakadze), chairman of the electoral commission, is informing journalists of the resulting data: 3,302,572 inhabitants of the republic, that is 90.3 percent of the overall number of the electorate, took part in the nationwide poll. Ninety-nine percent voted in favor of the restoration of the state independence of Georgia; 17,400 people responded in the negative. The inhabitants of the Dzhavskiy and Kornisskiy rayons, of the town of Tskhinvali, as well as of Tkvarchelskiy and Gudautskiy rayons of Abkhazia, did not take part in the referendum.

[Begin recording] [A.Yu. Sumgurov, observer for Abkhazia from Leningrad] On average, throughout Abkhazia approximately 60 percent of those [eligible] voted; that is a real percentage, a real figure. Of them in actual fact 90 to 95 percent voted for Georgian independence. These figures are authentic, real ones. There were no violations at the polling stations. We fulfilled our task as observers. [end recording]

Georgian Legislature Appeals to RSFSR Congress

LD0204213391 Moscow TASS in English 2044 GMT 2 Apr 91

[By SAKINFORM correspondent Guram Chanishvili]

[Text] Tbilisi April 2 TASS—"The resolution by the Third Congress of People's Deputies of the Russian Federation on the situation in South Ossetia is a rude interference" in internal affairs of the Georgian Republic, reads an appeal by the Georgian Parliament Presidium, sent to the Russian Congress today.

"Having turned to the Soviet president and the Soviet Federation Council and demanding that they 'take urgent measures to normalise the situation in South Ossetia', people's deputies of the Russian Federation have assumed moral responsibility for possible actions by the central government against the legal democratic government of the Georgian Republic," the appeal reads.

South Ossetia Situation Remains Tense

Situation 'More Complicated'

LD0204204691 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 2 Apr 91

[Text] Here is a report from South Ossetia. The situation there continues to be extremely tense. On the night of 1 April, in Tskhinvali, as a result of crossfire, one person was injured, three houses were set on fire, and 22 were damaged. One person was killed and two injured in the Georgian village of (Zemo-Nikozi). As before, no industrial enterprises are working in Tskhinvali, and water and electricity supplies are intermittent.

The situation has become more complicated over the last few days owing to the large number of refugees who have literally poured into the town from the surrounding

South Ossetian villages. The increasing flood of refugees has also become a considerable problem for Northern Ossetia. Our correspondent was told at the emergency committee headquarters of the chairman of the North Ossetian Soviet Socialist Republic Supreme Soviet that over 15,000 refugees, including over 8,000 children, have been registered here.

As far as the decision of the USSR Supreme Soviet on the situation in the South Ossetian Autonomous Oblast and the corresponding decision of the extraordinary Congress of Russian Soviet Federated Socialist Republic People's Deputies on this question are concerned, then it has to be said that the population of South Ossetia received these documents with approval and hope.

MVD Directorate Statement

LD0204203691 Moscow Central Television First Program Network in Russian 1800 GMT 2 Apr 91

[From the "Vremya" newscast]

[Text] The political directorate of the internal services troops of the USSR Ministry of Internal Affairs has issued a statement in which it is pointed out that recently, on covering the events occurring in South Ossetia, the mass media have fostered erroneous and unqualified interpretations regarding the activity of the internal services troops in this hotbed of tension. The contingent of internal services troops in Tskhinvali is insignificant, and its actions, in keeping with the legislation existing on that count, are restricted to the areas where a state of emergency is being enforced in the town of Tskhinvali. The actions of the sub-units that have been sent there, as the facts bear witness, are sufficiently effective. In the document, it is signified that only complete information, a weighing up, and a qualified approach to assessments will help avert further confrontations between opposing sides.

The text of the statement by the political board of the internal services troops of the USSR Ministry of Internal Affairs will be published in full in the press.

MVD Calls for State of Emergency

LD0304144891 Moscow TASS in English 1412 GMT 3 Apr 91

[By TASS correspondent Vladimir Gondusov]

[Text] Tskhinvali April 3 TASS— It is rumoured here that 12 thousand Georgian commandos may raid Tskhinvali. They have blockaded the district centre.

A spokesman for Soviet Interior Ministry troops temporarily deployed in Tskhinvali said that these rumours should not be discounted. Such an action is possible, so it is necessary to prepare for the worst. If Tskhinvali is raided, Interior Ministry troops should do their utmost to protect people.

Interior Ministry troops are interacting with the Georgian Interior Ministry, with the Tskhinvali agency of the Interior Ministry and volunteer public order squads.

However, the spokesman for the Interior Ministry troops believes that the command of units of the Soviet Army stationed in the city have not grasped the essence of the existing problems. These units are prohibited from intervening in the events.

Interior Ministry troops have limited potential. The personnel have heavy workloads: 18-20 hours per day. They are on duty at checkpoints, conduct ground and aerial reconnaissance and accompany convoys with cargoes.

Their duties have increased still more since the commandant of the region where the state of emergency was introduced and the municipal authorities requested the assistance of Interior Ministry troops in supervising the evacuation of refugees. This is not a simple task and involves risks.

The evacuation is conducted with the participation of members of staff of the USSR Interior Ministry, the Georgian Interior Ministry and the Interior Ministry agency of Tskhinvali. Their cooperation is proceeding smoothly. More than 2,000 people were evacuated from the city between March 27 to March 31. Columns of refugees are protected by troops.

Servicemen of the Interior Ministry troops confiscated large amounts of weapons although many illegal firearms have still to be recovered. Peace and tranquility in the region are yet to be achieved. Not only weapons are being confiscated. A caterpillar- mounted mine layer was discovered during one of the operations. It was used to destroy houses in Ossetian villages.

It is suggested that a state of emergency be introduced over the entire territory of South Ossetia. This would enable forces to function on a firm legal basis not only in Tskhinvali but also all over the entire region, to disengage the warring sides, confiscate arms and ensure the observance of the law. It is then that the negotiations will be possible, the spokesman said.

Shooting in Tskhinvali Reported

PM0304150191 Moscow PRAVDA in Russian 2 Apr 91 Second Edition p 6

[Report by SAKINFORM correspondent G. Chanishvili under general heading "People Are Dying Again"]

[Text] Tbilisi, 1 Apr—According to reports from the Georgian MVD [Ministry of Internal Affairs] press center, there was shooting again in Tskhinvali on the night of 31 March. Extremists fired from the direction of the city on Georgian militia posts and launched missiles on Nikozi village, Goriyskiy Rayon. One inhabitant died and two were wounded.

On 1 April there was no shooting in Tskhinvali but the tension in the city and surrounding villages persists.

According to information received by a TASS correspondent at the USSR MVD press center, intensive shooting using large-caliber machine guns and an antiaircraft gun took place in the environs of Tskhinvali. There is no report of casualties.

Some of the USSR MVD troops stationed in Tskhinvali at the "Osetiya" tourist base again came under fire. Fortunately there were no casualties among the servicemen.

Local inhabitants are continuing to leave their homes. Already 23 villages which have been partially or totally burned down have been abandoned on the territory of the oblast.

According to reports from the Georgian MVD a "UAZ" truck was fired on from an automatic weapon in Nuli village. Three Georgian passengers were killed and one was wounded.

USSR Gosbank Said Supplying Aid to Ossetians

AU0304091391 Tbilisi VESTNIK GRUZII in Russian 27 Mar 91 p 1

[Statement dated 26 March: "Statement by the Press Center of the Republic of Georgia"]

[Text] To avoid infringing upon the financial resources and their utilization by extremists for criminal purposes, in connection with the serious problem of crime that has developed in Samachablo [South Ossetia], in January, money and other valuables were completely withdrawn with the help of the organs of the Georgian Interior Ministry from the banks of Tskhinvali, Kornisi, and Akhalgori (due to the difficult situation, it was impossible to remove money from the Dzhava rayon). In connection with this, bank transactions were also halted. All investors and juridical persons were given the possibility to conduct bank operations via Tbilisi banks.

On 25 March, it became known that on 5 March the management of the USSR State Bank [Gosbank], without consulting the republican bank, transferred bank notes amounting to 15 million rubles [R] from Ossetia to the Tskhinvali Bank for Housing and Municipal Services and Social Development.

The management of the USSR State Bank could not be unaware of the serious situation in the Tskhinvali rayon. Apart from the fact that there is still danger that Ossetian extremists may attack banking institutions, quite a number of weapons used by Ossetian extremists were bought precisely with the money collected from the local population, and the delivery of an additional sum of 15 million rubles to Tskhinvali is a revealing document that proves the existence of a criminal alliance between the central authorities and the Ossetian extremists.

The Supreme Soviet of the Republic of Georgia expresses a strong protest against this fact and demands an explanation from the management of the USSR State Bank.

Gamsakhurdia Interviewed on Current Situation

AU2903191491 Tbilisi VESTNIK GRUZII in Russian 22 Mar 91 p 1

[Interview with Zviad Gamsakhurdia, chairman of the Supreme Soviet of the Republic of Georgia, by Aleksandr Fedorov; reprinted from KURANTY No 45, 8 March 1991: "I Am Against Confrontation with the Army"]

[Text] **The task of meeting with the chairman of the Supreme Soviet of the Republic of Georgia turned out to be both simple and difficult. It was a simple task—because KURANTY was received out of turn, despite the president's busy program. It was a complicated task—because I had to walk past at least three guard posts before I reached the office of the Supreme Soviet chairman: The national guards, militia, and bodyguards. Throughout our conversation, an alert young man wearing a perfectly fitting suit stood at the entrance—a bodyguard.**

Zviad Gamsakhurdia speaks laconically and, one might say, energetically and uncompromisingly. In order to avoid accusations of a biased attitude, we are publishing this interview the way it was given—from the dictaphone cassette.

[Fedorov] Mr. Gamsakhurdia, I have just returned from Tskhinvali. I would like to learn about your position regarding the situation that has taken shape in that region. What is being implied by the words "emergency situation"? The town has been looted and is, in fact, in a catastrophic situation. Is force really the only way to exercise some control over the situation?

[Gamsakhurdia] What else can be done against extremists and bandits who are engaged in plundering and killing people? What else can be undertaken in such situations? Did you talk to Georgian refugees from Tskhinvali?

[Fedorov] Yes, of course. However, I also visited a hospital and an old people's home. During the month of combat actions, 28 old people died of starvation and cold, and it was not even possible to bury them properly—the cemetery has been blockaded by subunits of the Georgian militia and shooting from there is continuing all the time. Brutally beaten up old women—both Georgian and Ossetian—are hospitalized; they were beaten up only because they themselves or their relatives were Ossets. Do you agree that bandit formations exist on both sides?

[Gamsakhurdia] Of course, I do. The whole thing is that the illegal territorial formation—the "South Ossetian Autonomous Oblast"—was created by the Bolsheviks on the Georgian land in 1922. The Georgians became a

national minority in their own land; their rights are infringed upon and they are discriminated against. Last year, they went so far as to hold unconstitutional elections on Georgian land, in the Samachablo region, and the creation of the South Ossetian Soviet Democratic Republic was declared.... All these are doings of separatists, and they are in contradiction with the laws of the Georgian republic, and, besides, the extremists took weapons and declared war on the Georgians. We had to defend ourselves.

[Fedorov] What are the prospects? Will the blockade of Tskhinvali continue?

[Gamsakhurdia] There is no blockade on our part. The situation in Tskhinvali is such.... You know, the other day the Ossets did not let pass a Red Cross convoy loaded with foodstuffs and medicine.

[Fedorov] What was the order that the Georgian militia received on 6 January—on the day when subunits wearing militia uniforms entered Tskhinvali? What were they supposed to do there?

[Gamsakhurdia] There were murderers of Georgians in South Ossetia. The militia received orders to arrest those murderers and put an end to banditry.

[Fedorov] What policy will you pursue after 17 March?

[Gamsakhurdia] In Georgia, there will be a referendum of our own. It has been fixed for 31 March. We do not want to be slaves of the Soviet Union.

Could you explain your position with regard to Soviet troops? On the one hand, you are asserting that these are occupation troops and, on the other hand, it is precisely internal troops of the USSR Interior Ministry that are called upon to control the situation in the area in which a state of emergency has been declared.

[Gamsakhurdia] We cannot control them. The internal troops of the USSR Interior Ministry receive orders from Moscow.

[Fedorov] You are asserting that the troops are supplying weapons to the Ossets....

[Gamsakhurdia] Yes, and in this connection I wrote letters to Gorbachev and to Patrikeyev, the commander of the Transcaucasian Military District troops. We have facts at our disposal. Generally speaking, this is the war that Moscow and the Soviet Union are waging against us, and they are using bandits and extremists for these purposes and are supplying them with weapons, munitions, and even rockets. This is not an ethnic conflict but a political one.

[Fedorov] Lieutenant-Colonel Slobko, deputy commander for political affairs of the combat operations group stationed in Tskhinvali, asserted during our conversation that in the final analysis the troops are complying with the Georgian Supreme Soviet's decree on the state of emergency....

[Gamsakhurdia] Yes, we have declared the state of emergency in that region because the situation there was terrible. However, Moscow is giving assistance to the bandits and is supplying them with weapons.

[Fedorov] Over those hundred odd days you have been in office, there was much criticism in the mass media directed against you. How do you assess those statements?

[Gamsakhurdia] They are all lies. All of this is the policy of Moscow, the principal object of which is to discredit Georgia and not to grant independence to it.

[Fedorov] I happened to talk to some leaders of today's opposition. In many respects, their position with regard to Georgian independence is similar to yours. However, now you are irreconcilable enemies. Why?

[Gamsakhurdia] Because today they have become criminals and terrorists. We are fighting them and are arresting those who robbed people, attacked the militia, and so on.

[Fedorov] You have organized national guards. What kind of formation is this? People say they are your bodyguards....

[Gamsakhurdia] They are the prototype of a militia. There are about 300 persons in the guards, and they are not my bodyguards. You see, the situation today is such that the militia alone simply cannot cope with it, it needs help.

[Fedorov] B. Yeltsin was going to mediate in the negotiations between South Ossetia and Georgia. Why hasn't his visit taken place?

[Gamsakhurdia] I believe that the situation in Moscow is not at its best.

[Fedorov] It is believed in the West that Georgia is presently in a state of chaos. How are you going to develop cooperation with foreign countries under such conditions?

[Gamsakhurdia] We have a concrete plan for establishing contacts with Western countries. However, Georgia really is in a state of chaos, and Moscow is isolating us from the Western world and is creating a blockade regarding foodstuffs and energy. For some reason, nobody is talking about it, whereas the nonexisting blockade of Tskhinvali is being discussed extensively.

[Fedorov] However, there are no foodstuffs there, no gas, and no heating, and only a few days ago electricity was again supplied there. Last week, a convoy of 28 cars that were on their way from Vladikavkaz with a load of foodstuffs and medicines was stopped and plundered at the entrance to Tskhinvali by subunits wearing Georgian militia uniforms. Do you know anything about it?

[Gamsakhurdia] No, I don't know of such a fact.

[Fedorov] How do you see the way of settling the conflict in South Ossetia?

[Gamsakhurdia] The only way is taking away weapons and arresting the bandits, and the militia and the Army must take this upon themselves. However, Moscow, on the contrary, is ordering the Army to help the extremists.

[Fedorov] You have been engaged in politics for more than 35 years. Did your views change over this period of time?

[Gamsakhurdia] In principle, no. The tactics changed.

[Fedorov] As chairman of the Supreme Soviet, you have held this position for four months. What do you think you have and what haven't you managed to do over this period of time?

[Gamsakhurdia] We have managed to do much in the political and national spheres—the Georgian people received some breathing space. Alas, economically speaking, we haven't done much—Moscow is continuing its blockade and is doing everything to prevent us from establishing contacts with the West.

[Fedorov] Do you regret any of your decisions?

[Gamsakhurdia] Perhaps, I regret that I was too soft-hearted, not strict enough. The bandits threw aside all restraint and created such revelry that the people were almost about to rise up against us. However, now the situation is stable.

[Fedorov] Who, do you think, is your political ally in the center?

[Gamsakhurdia] Yeltsin is the only one.

[Fedorov] You declared in your interview to KOMSOMOLSKAYA PRAVDA that you would never cross the threshold of the Kremlin unless you become a citizen of a free Georgia. What is the shortest way to achieving sovereignty?

[Gamsakhurdia] Opposition to the center and the preservation of our own specific characteristics in everything.

[Fedorov] You are pursuing a rather stringent policy with regard to a whole number of publications. In what connection was the local youth paper closed down?

[Gamsakhurdia] Moscow is holding us in a state of information blockade, and such programs as "Vremya" and "TSN" have been constantly distorting the truth. As concerns the youth paper.... It was an organ of the Moscow KGB, the agents of the center, a paper of the komsomol, which does not exist in Georgia any more.

[Fedorov] In this connection, I would like to hear your explanation with regard to yet another action that has caused quite a sensation. I mean the Georgian proposal to the Tula weapons plant to exchange a batch of foodstuffs for weapons and munitions....

[Gamsakhurdia] This is just an amusing incident that took place due to the stupidity of an official. Somebody deceived him, and I did not know anything about it.

[Fedorov] What are the relations between the present parliament of the republic and the National Congress?

[Gamsakhurdia] There is no such thing as a National Congress. These are charlatans who were not elected by anyone. In fact, they are political speculators and failures who have established ties with the criminal world. For example, these provocateurs called upon the people to assault the Army headquarters on 23 February. I do not want the Lithuanian events to happen here and I am against confrontation with the Army.

Georgian Politician Views Events, Referendum

AU0204131091 Tbilisi VESTNIK GRUZII in Russian 21 Mar 91 p 2

[Article by Aleksi Samsonadze, member of the Coordination Council of the Constitutional Democratic Party of Georgia: "The Constitutional Democratic Party of Georgia"]

[Excerpts] The economic and ethnic situation in Georgia is extremely difficult. The 70 years in which socialism was being "built" have led both Georgia and the entire Soviet Union to a complete economic paralysis. However, the worst crime committed by the Bolsheviks and their party is the change they have caused in human mentality. People have forgotten what it is to fulfill their duty conscientiously. This has gradually led to a situation in which people have forgotten how to work properly. Instead of becoming creators, they became consumers. This has led to all the sad economic consequences, which we do not even need to list: They are well known to everybody. [passage omitted]

Several annexed countries, including Georgia, expressed their desire to secede from the Soviet Union and refused to sign a new Union treaty. What can the center do in such a case? Make Georgia sign the Union treaty and use a few "trump cards" for the purpose? These may include:

1. Autonomous formations and the country's national minorities;
2. The Georgian population that keeps aloof of the liberation movement;
3. An economic blockade;
4. Military interference.

As one can see in the example of the Baltic region, the center does not hesitate to resort to any of the aforementioned means. This is why our Georgian people must assess the situation soberly.

Let Us Start From Point One

For some reason, all interethnic conflicts follow the same scenario. This happened in the Baltic region, in Transcaucasus, and in Moldova. Therefore, it is necessary to reveal the truth about that "blind weapon," which in the

case of Georgia is firing on Georgia in fulfilling the will of the empire. The point is that the Union mass media are supplying their viewers or listeners with biased information about everything or nearly everything. Moreover, they are achieving their goal.

Television viewers somewhere in Russian provinces will hardly bother to ask themselves where the Ossets are getting such quantities of good-quality weapons and why the central press is referring to the Ossets as "volunteers" and to the Georgians as "militants." So, what does it matter who is burning down Georgian and Ossetian homes or schools. One thing is clear: Of course, the Georgian militants are those who do the burning and, of course, they are destroying Ossetian property. However, perhaps, these television viewers do not know that there has been neither a Georgian population nor "Georgian militants" in Tskhinvali for a very long time. Under such conditions, it is very easy to stir anti-Georgian sentiments among the population. It is true, though, that things are somewhat more complicated in the case of foreign correspondents who are wondering why the Ossetian extremists are defending their "socialism" with such stupid zeal. However, that does not amount to much, other countries are far away, and worldwide public opinion could be disregarded when there was a need to provoke bloody massacres in Tbilisi, Baku, or Vilnius....

It is therefore necessary to see to it that national minorities understand all of this. They must be sure that Georgians will never begin to oppress them, nor did they ever do so before. It is essential that the slanderers who are reviling Georgia and who are at the same time taking advantage of its material wealth feel ashamed. It is necessary to counter all arguments being advanced against adopting the bills on land, citizenship, and so on.

Of course, this is up to the government to decide. However, there is also our party's opinion. We believe that Georgian citizenship may be granted to all those people who have lived in Georgia for at least 20 years or for some other reasonably acceptable period of time. Of course, knowledge of the Georgian language is obligatory. [Georgian citizenship must be granted] to those whose attitude to Georgia is positive and who defend its interests.

Then, the peasants must be given land for private ownership with the right of succession. It is necessary to create a situation in which national minorities living in Georgia would not fear that they may be expelled from the country any day. We believe that it is necessary to adopt a **law protecting the rights of national minorities.** We must convince them that the well-being of Georgia is also their well-being. In that case the center will not be able to use its first trump card.

Second

A very large proportion of the country's Georgian population is now keeping aloof from political life. Some of these people want to wait and see how things are going to end, others do not want to lose their position in the "shadow" economy, and still others are hostages to their former party membership. The silence of the representatives of the business world (the mafia) is playing into the hands of the center. Moreover, some of them do not even want to think about Georgian independence. It turns out that they are implicit accomplices of the empire. Therefore, our party's opinion on this matter is as follows: We must make initial steps toward privatization. In order to be able to make them, we must understand specifically which branches of our industry are profitable and which are not.

The public at large must rise and all parties must collaborate with the Georgian Government. However, whether the government wants to accept such collaboration or not is its business.

However, we all must fulfill our civic duty. All residents of Georgia must join the ranks of fighters for the common cause—the cause of liberating our motherland.

About the Economic Blockade

The Constitutional Democratic Party of Georgia firmly believes that Georgia is an incorporated colony in all respects. Proceeding from this, we can draw certain conclusions: First, it is absurd to demand that a colony sign a Union treaty. It would become a laughing matter for the whole world if an annexed colony were to sign a treaty with the center. Second, if a colony is under the rule of the center, then how can one characterize the part of its domestic policy according to which the latter carries out the blockade of the former. It is clear that no center can afford not to take care of its colonies. Third, there can be no talk of paying debts, because no colony can be indebted to the center. It is a different matter—to hold talks with a "sovereign republic." It is, however, not clear why foreign troops are present on the territory of a "sovereign republic"? It seems, however, that this new concept of "sovereignty" does not really bother the Kremlin. It is advantageous for it to refer to all colonies as "sovereign republics."

This is why, in words, the Kremlin is readily dispensing "sovereignties" to all its colonies.

Thus, to beat this trump card of the empire, it is necessary to announce publicly that Georgia was annexed and that it is a colony. It is not even essential to have the USSR Government's recognition of the fact. The main point is that the people should recognize this and that the whole world should realize this. It is not in vain that Landsbergis threatened the center that the last resort in the political struggle that is underway in Lithuania would be the declaration of Lithuania as a colony.

Finally, Fourth

There is no point in bringing in troops or threatening these colonies; an enslaved state is under the yoke anyway, and additional contingents of troops will not change anything. [passage omitted]

Thus, if we manage to recognize the fact that Georgia is an annexed colony, the question of the terms of its liberation will arise by itself. The world public believes that, in our time, at the end of the 20th century, there should be no colonies.

We realize this is a difficult task. If we tackle it jointly with other "republics" and not alone, this will only be to the benefit of our common cause.

Concerning the upcoming elections to the Sakrebulo [assembly—name of the new organ of local government]. We do not attach any real significance to them, because they will be elections to organs that will not have the right to make important decisions. Therefore, they are meaningless.

Our party has its own opinion with regard to the institution of prefecture. It is nowadays an object of disputes. According to these disputes, prefecture is based upon the nomination of an official rather than upon his elections. We believe that today, during the transition period, when our country's situation is difficult, this institution makes sense. However, in the future, it must be replaced by more democratic structures.

With regard to the referendum that will be held simultaneously with elections on 31 March, our party believes that by holding the referendum we may be affected by the law that stipulates our remaining within the Union; that law was adopted by the USSR Supreme Soviet on 3 April 1990, and it may enable the center to seize upon a chance and again find faults with our government and make our secession from the USSR more difficult.

Of course, we are sure that the people of Georgia will vote for secession from the Union, but this became obvious last October when elections to the Georgian Supreme Soviet were held.

However, not wishing to complicate the sufficiently difficult situation in Georgia, our party will take part both in the elections to the Sakrebulo and in the referendum.

Armenian Law on Collective Peasant Farms

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For the Armenian Law on Collective Peasant Farms published in the 31 January 1991 GOLOS ARMENII, see the JPRS Report Soviet Union: Economic Affairs, JPRS-UEA-91-014, pages 67-73.